

1 JOINT APPROVED FORM, WINNEBAGO COUNTY BAR ASSOCIATION "WCBA"
2 AND ROCKFORD AREA ASSOCIATION OF REALTORS® "RAAR"

3 **CONTRACT FOR PURCHASE AND SALE**

4 **For Use With Farms and Farmland**

5 **(Complete All Blanks And Delete Inapplicable Language)**

6
7 LISTING OFFICE: _____ Phone: _____

8 Listing Broker: _____ Broker #: _____

9 Listing Office Address: _____

10 Listing Office License #: _____ Listing Broker License #: _____

11 Email: _____ Phone: _____ Fax: _____

12 Seller's Attorney: _____ Phone: _____

13 Email: _____ Fax: _____

14
15 SELLING OFFICE: _____ Phone: _____

16 Selling Broker: _____ Broker #: _____

17 Selling Office Address: _____

18 Selling Office License #: _____ Selling Broker License #: _____

19 Email: _____ Phone: _____ Fax: _____

20 Buyer's Attorney: _____ Phone: _____

21 Email: _____ Fax: _____

22 Lender Name: _____ Contact Name: _____

23 Email: _____ Phone: _____ Fax: _____

24
25 Designated agents of the Listing Broker are agents of the Seller. Designated agents of the
26 Selling Broker are agents of the Buyer unless a dual agency agreement is signed.

27 **CONFIRMATION OF CONSENT TO DUAL AGENCY**

28 The undersigned confirm that they have previously consented to _____,
29 Licensee, acting as a Dual Agent in providing brokerage services on their behalf and specifically
30 consent to Licensee acting as a Dual Agent in regard to the transaction referred to in this
31 document. Seller's Initials: _____/_____ Buyer's Initials: _____/_____

32 1. Seller. To: (SELLER) _____

33 Email: _____ Phone: _____

34 of _____ (Address & Zip Code)

35 2. Buyer. The Undersigned (BUYER) _____

36 Email: _____ Phone: _____

37 of _____ (Address & Zip Code)

38 3. Premises. Offers to purchase the following described real estate situated in (Winnebago)

39 (_____) County, Illinois, commonly known as: _____

40 _____ Property I.D. #: _____

41 and legally described as: _____

42 _____ and

43 being (a single-family residence) (farm buildings) (and approximately _____ acres of land).

- 44 4. Purchase Price. And to pay you (\$ _____) per acre
45 with a total purchase price of \$ _____ and purchase price
46 to be adjusted by survey if survey is required under this Contract with acreage to be
47 computed to the center of roadway if included in legal description) OR
48 (\$ _____) total purchase price with no adjustments for
49 variance of acreage) with \$ _____ as earnest money (a minimum of 5%
50 of the purchase price is recommended) to be tendered by Buyer no later than one business
51 day following the date of the accepted Contract (which earnest money shall be increased to a
52 total of \$ _____ within one business day following the expiration of the
53 Attorney Approval period as set forth in Paragraph 6 herein) to be applied to the purchase
54 price; (if Contract is not subject to 5B financing contingency, Buyer will furnish written
55 verification of funds to close from a financial institution within _____ business days of
56 acceptance of this Contract).
- 57 5. Contingencies. Buyer's obligations pursuant to this Contract are contingent upon the
58 following:
- 59 A. Inspection. Buyer's inspection, which may include, but shall not be limited to any,
60 radon, mold, pest, mechanical, or structural inspections, at Buyer's expense. Seller shall
61 arrange for all utilities to be on at the time of inspection. Buyer may inspect personal
62 property and farming equipment and systems to be transferred pursuant to this contract. The
63 real estate inspection shall cover only major components, including but not limited to,
64 heating and cooling systems, plumbing and well system, electrical system, roof, walls,
65 windows, ceilings, floors, appliances and foundation. If Buyer notifies Seller within seven
66 (7) business days of the final acceptance of this Contract that the results of the inspection are
67 unacceptable to Buyer, this Contract shall be void. If Buyer does not notify Seller by said
68 date that the results of the inspection are unacceptable to Buyer, this provision shall be
69 deemed waived and this Contract shall remain in effect.
- 70 B. Financing. Obtain by _____, a written mortgage loan commitment
71 containing the following terms: loan amount not less than ____% of the purchase price due in
72 not less than ____ years amortized over ____ years with (Fixed) (Adjustable) interest at not
73 more than ____% per year and lender required flood insurance premiums not to exceed
74 \$ _____ per year, or containing other terms acceptable to Buyer. Buyer shall provide to
75 Seller by the above date a copy of the Lender's loan commitment or upon Seller's request
76 will provide a denial letter if available from Buyer's lender. The issuance of a commitment
77 containing the above-specified terms or Buyer's written acceptance of a commitment
78 containing other terms shall satisfy this contingency. Seller agrees to pay Buyer's closing
79 costs not exceeding \$ _____ (to include all costs paid to third parties in connection with
80 the closing, prepaid mortgage interest, insurance and tax reserve deposits).
- 81 C. Appraisal. Obtain by _____, an appraisal prepared by an Illinois
82 licensed appraiser indicating the value of the premises to be equal to or greater than the
83 purchase price.
- 84 D. Sale of Property. (Enter into a contract for the sale of property for not less than
85 \$ _____ or a lesser amount as is accepted by _____ and) complete the sale
86 of property in which Buyer now has an interest located at _____
87 _____ on or before _____. Seller reserves the right to
88 accept another bona fide offer subject to the rights of Buyer under this Contract. In the event
89 Seller accepts another bona fide offer, Seller shall deliver a notice to eliminate contingency

90 to Buyer. Within 72 hours of receipt of such notice, Buyer shall deliver written notice to
91 Seller of removal of this contingency and **all** other Buyer contingencies AND (a) provide a
92 written commitment for a non-contingent bridge loan, OR (b) provide evidence of available
93 funds sufficient to allow Buyer to complete the transaction, or this Contract shall be void.

94 E. Document Review. Review the following documents to be delivered by Seller by the
95 date below: (insert date if applicable)

96 _____ Copy of written leases/rental agreements, terms of any oral leases, or options
97 to renew/options to purchase;

98 _____ List of personal property located on the premises belonging to Seller to be
99 transferred to Buyer.

100 _____ Estoppel certificates from lessee(s) of the premises confirming the terms of
101 the lease and the status thereof;

102 _____ Written confirmation from zoning authority that the premises are presently
103 zoned _____ and present use is (conforming) (legally non-conforming);

104 _____ Copy of any other subsidy, government, cell tower, windmill, or CRP
105 contracts to which the premises are subject.

106 Unless Buyer gives written notice within five business days of the date listed above that the
107 information furnished is not acceptable to Buyer, this Contract shall remain in effect.

108 F. Environmental Assessment. Obtain by _____ a written Phase I
109 environmental site assessment report conducted pursuant to current U.S. EPA, Illinois EPA
110 and ASTM standards, at (Seller's)(Buyer's) expense and unless such assessment report is
111 disapproved by Buyer in writing by _____, this Contract shall remain in effect.

112 **See Notice Regarding Environmental Liability Immediately Above Signature Lines.**

113 6. Attorney's Approval. This Contract is subject to Buyer's and Seller's attorney's written
114 disapproval of this Contract within seven (7) business days of the final acceptance of this
115 Contract. In the absence of notice within the time specified, this provision shall be deemed
116 waived and this Contract shall remain in effect.

117 7. Failure of Contingency. Except as otherwise provided, if any contingency cannot in good
118 faith be carried out, this Contract shall become void and the earnest money shall be returned
119 to Buyer pursuant to the provisions of Paragraphs 10 and 17 hereof.

120 8. Closing. This transaction shall be closed on _____ or on such date as mutually
121 agreed by the parties in writing, and Seller shall deliver possession of the premises in broom-
122 clean condition and free of debris, both interior and exterior, **at time of closing**. If by no
123 fault of either party this transaction cannot close by the closing date due to any government
124 regulations or lender requirement, the date of closing shall be extended for the period
125 necessary to satisfy these requirements, not to exceed 7 business days. The premises shall be
126 vacant at closing, unless it is (check if applicable):

127 _____ Subject to tenant's lease terms submitted by Seller pursuant to Paragraph 5E; or

128 _____ Subject to Occupancy Rider.

129 A final inspection of the real estate, fixtures, and personal property may be made by Buyer
130 within 48 hours prior to closing to determine whether the premises is in the same condition as
131 of the time Buyer entered into the Contract.

132 9. Prorations and Credits. Rents, utilities, pre-paid service contracts, property taxes, association
133 dues, and other similar items shall be prorated and credited along with security deposits and
134 prepaid items through date of closing. Seller shall pay at closing all special assessments,
135 special service area taxes, or fees or other similar items charged against the premises
136 approved, enacted or confirmed prior to date of final acceptance of contract by a public body,
137 private association or a Court.
138 Tax prorations shall be final as of closing and based upon the actual tax bill if known for a
139 specific tax year; otherwise shall be calculated at 105% of the most recent tax rate times the
140 assessment and exemption information published on the county assessor's website within 7
141 business days of final acceptance unless Seller submits to Buyer within 7 business days of
142 final acceptance evidence of changes in the assessment and exemption information. Seller
143 warrants that it has submitted or will submit in a timely manner all necessary documentation
144 to preserve the exemptions through closing and shall provide evidence of the same within 7
145 business days of final acceptance; otherwise, the tax prorations shall be prorated without said
146 exemptions.
147 (Seller represents that as of final acceptance, (Condo) (Homeowner) Association fees are
148 \$_____ per _____ and that a special assessment (of \$_____)
149 (check one) ___ has not / ___ has been levied).

150 10. Earnest Money. The earnest money shall be held by _____, referred to
151 as "Escrowee," for the mutual benefit of the parties in a non-interest bearing account. If an
152 earnest money dispute arises, Escrowee shall be authorized to release the earnest money
153 ONLY upon written direction executed by all parties or order of Court; **provided, however,**
154 **in the event the premises is being sold through a RAAR listing and a dispute solely**
155 **involving earnest money arises, the parties agree to submit the dispute to binding**
156 **arbitration if available through RAAR under arbitration rules and procedures**
157 **approved by RAAR and WCBA.**

158 11. Personal Property. Seller warrants that Seller owns and agrees to transfer to Buyer, all
159 heating, plumbing, electrical systems and fixtures; water heater; existing storms and screens;
160 attached and built-in cabinets and shelves; attached carpet; attached mirrors; all landscaping,
161 fences, gates, permanent or temporary buildings and farm building equipment and systems
162 attached to the premises; and the following: (Check or enumerate applicable items)
163 ___ Ceiling Fan(s) ___ Stove/Range/Oven ___ Sump Pump(s) ___ Window Treatments
164 ___ Refrigerator ___ Water Softener ___ Outdoor Shed(s) ___ Garage Dr. Opener
165 ___ Dishwasher ___ Security System ___ Satellite System ___ Remote Control(s)
166 ___ Microwave ___ Disposal ___ Outdoor Playsets ___ Water filtration system
167 ___ Washer ___ Dryer ___ Central Air ___ Fpl screen(s) door(s)
168 ___ Keys ___ Window Air Unit(s) ___ Grate(s)/Gas log(s)
169 Other items included: _____
170 _____
171 Other items excluded: _____
172 _____
173 Seller warrants there are no rented fixtures or equipment except: _____
174 _____.

175 12. Seller Warranty. Seller agrees to deliver possession of the premises and personal property in
176 the same condition as it is at the date of this Contract, ordinary wear and tear excepted.
177 Buyer acknowledges that Buyer has inspected the premises and personal property and is
178 acquainted with its condition, and accepts the same in "AS IS" condition as of the time Buyer
179 executed this Contract, except Seller warrants the heating (and air conditioning) equipment
180 and systems, water heater, (water softener), plumbing and electrical equipment and systems,
181 kitchen appliances, and where applicable (septic system), (well), (swimming pool and
182 equipment), and (sprinkling system), to be in normal operating condition as of possession
183 transfer. A system shall be deemed to be in normal operating condition if it performs the
184 function for which it is intended regardless of age and does not constitute a threat to health or
185 safety. Unless written notice of breach of warranty is delivered by Buyer to Seller prior to
186 possession transfer, this warranty will be conclusively deemed to have been satisfied;
187 provided, however, that Buyer shall have six (6) months after possession transfer to provide
188 written notice to Seller of any defect existing as of possession transfer in the heating (and air
189 conditioning) equipment and systems, (septic system), (swimming pool and equipment), or
190 (sprinkling system) if said equipment could not be tested by Buyer or Buyer's licensed home
191 inspector at the time of any inspection conducted in conjunction with this Contract.

192 If deleted pursuant to Paragraph 23B As Is: Seller's Initials ___/___ Buyer's Initials ___/___

193 13. Water System Evaluations. Seller shall provide to Buyer by _____ at Seller's expense
194 (check if applicable):

195 ___ An evaluation of the (well)/(septic) systems, where applicable, dated within 90 days of
196 closing including sampling of the well verifying that the water is bacteriologically safe,
197 that the nitrate level is within requirements approved by the State of Illinois, that the
198 well and septic systems meet with all applicable health department requirements and
199 are in normal operating condition without observable defects. The well and septic
200 evaluations shall be conducted by the local county health department or an Illinois
201 licensed environmental health practitioner in accordance with local health department
202 requirements. If Seller does not provide Buyer with satisfactory well and septic
203 evaluations by the above date, then this Contract shall be voidable at the option of
204 Buyer as Buyer's exclusive remedy.

205 ___ A sanitary sewer connection Certificate of Compliance where required by local
206 ordinance. If Seller does not provide the Certificate of Compliance by the above date,
207 then this Contract shall be voidable at the option of Buyer as Buyer's exclusive remedy.

208 ___ Where applicable, a Cross Connection Certificate of Compliance relating to lawn and
209 building sprinkling systems dated within one year of the date of closing. If Seller does
210 not provide the Certificate of Compliance by the above date, then this Contract shall be
211 voidable at the option of Buyer as Buyer's exclusive remedy.

212 14. Hazardous Substances. **Seller warrants that (1) Seller has not conducted, authorized or**
213 **permitted the generation, transportation, storage, treatment or disposal at or from the**
214 **premises of any hazardous substance as defined by the Federal Emergency Planning**
215 **and Community Right to Know Act of 1986, and (2) Seller is not aware of and has not**
216 **caused or allowed the release of any petroleum products on or from the premises prior**
217 **to closing. This warranty is specifically intended to survive the closing of this**
218 **transaction.**

- 219 15. Title Insurance. Seller shall furnish current title insurance commitment in the amount of the
220 purchase price to Buyer prior to closing, and final policy thereafter, at Seller's expense, from
221 a title company with a closing office located in the county where the premises is located,
222 showing merchantable title subject only to the following permitted exceptions: a) all accrued
223 taxes, fees and special assessments credited to Buyer at closing; b) building setbacks, use and
224 occupancy restrictions, conditions and covenants of record; c) zoning laws and ordinances; d)
225 easements for the use of public utilities; e) roads and highways; f) existing leases and
226 tenancies approved by Buyer under Paragraph 5E, if any. None of these exceptions shall be
227 considered permitted exceptions if they are violated by the existing improvements or present
228 use of the premises or if they materially restrict the reasonable use of the premises. If Seller
229 cannot deliver merchantable title to Buyer at closing subject only to permitted exceptions,
230 this Contract shall be voidable at Buyer's option and the earnest money shall be returned to
231 Buyer.
- 232 16. Destruction of the Premises. If prior to delivery of deed or agreement for deed the
233 improvements on the premises shall be destroyed or materially damaged by fire or other
234 casualty, Buyer shall have the option of declaring this Contract void and receiving a refund
235 of earnest money paid, or of accepting the premises as damaged or destroyed, together with
236 the proceeds of any insurance payable as a result of the destruction or damage, which
237 proceeds Seller agrees to assign to Buyer.
- 238 17. Liquidated Damages. SHOULD BUYER FAIL TO PERFORM THIS CONTRACT
239 PROMPTLY IN THE TIME AND MANNER SPECIFIED, THE EARNEST MONEY
240 SHALL BE FORFEITED BY BUYER AS LIQUIDATED DAMAGES SUBJECT TO THE
241 PROVISIONS OF PARAGRAPH 10, AS SELLER'S EXCLUSIVE REMEDY, AND THIS
242 CONTRACT SHALL BE VOID. IN ANY ACTION TO ENFORCE THE TERMS OF
243 THIS CONTRACT, THE PREVAILING PARTY SHALL BE ENTITLED TO
244 REASONABLE ATTORNEYS FEES AND COSTS.
- 245 18. Time of the Essence. Time is of the essence of the terms and conditions of this Contract.
- 246 19. Closing Documents and Funds. At closing Seller shall convey merchantable title to the
247 premises, subject to permitted exceptions, to Buyer or whomever Buyer may direct by
248 stamped recordable warranty deed releasing homestead, or such other appropriate deed or
249 agreement for deed as required. At closing Seller shall convey merchantable title to the
250 personal property to Buyer or whomever Buyer may direct by Bill of Sale. The title
251 company closing fee shall be paid by a Buyer with a mortgage and shall be divided equally
252 between the parties if Buyer has no mortgage. The remainder of the purchase price or any
253 further part of it then due shall be paid and all documents required by the transaction shall be
254 signed and delivered.
- 255 20. Governmental Compliance. The parties agree to comply with the following federal or state
256 acts when applicable:
- 257 A. Illinois Real Estate Transfer Tax Act with Seller to pay all transfer taxes due at closing;
 - 258 B. Federal Real Estate Settlement Procedures Act (RESPA);
 - 259 C. The Illinois Smoke Detector Act with Seller to provide all required smoke detectors in
260 operating condition;
 - 261 D. The Carbon Monoxide Alarm Detector Act with Seller to provide required detectors in
262 operating condition;
 - 263 E. Illinois Residential Real Property Disclosure Act;
 - 264 F. Illinois Radon Awareness Act;

265 G. Lead-Based Paint Hazard Reduction Act; and
266 H. Illinois Good Funds Act.

- 267 21. Notices. All required notices shall be in writing and shall be served directly upon any one of
268 the parties to whom the notice is directed, or the party's real estate brokers or attorneys, by
269 (a) personal delivery, (b) regular or express mail, (c) FAX machine, or (d) e-mail if an e-mail
270 address has been furnished by the recipient or is shown on this Contract. Notices shall be
271 deemed satisfactorily delivered at the time of personal delivery, mailing, FAX, or e-mail
272 transmission regardless of the time of actual receipt by the other party, or their attorney, or
273 real estate broker, except that actual receipt by Buyer, Buyer's broker, or attorney of the
274 notice to eliminate contingency shall be required pursuant to Paragraph 5D of this Contract.
275 For purposes of execution of this Contract and providing subsequent notices, including
276 contingency removals, any electronically signed document or document transmitted by FAX
277 or e-mail shall be treated as an original document. Business days are defined as Monday
278 through Friday excluding federal holidays.
- 279 22. Entire Agreement. Following execution by the last party, this Contract shall be deemed
280 effective only upon delivery to the other party, as provided for notices in the preceding
281 paragraph. This document represents the entire agreement and shall be binding upon the
282 parties, their heirs, successors, and assigns.

283 23. **Optional Standard Clauses.** The following Optional Standard Clauses shall apply only if
284 initialed by all parties: **(Identify applicable clauses and initial, complete, and make**
285 **applicable deletions)**

286
287 Seller's Buyer's
288 Initials Initials

289
290 ___/___ ___/___ A. Cancellation of Prior Contract. This Contract is subject to the cancellation
291 of Seller's prior contract by _____.

292 ___/___ ___/___ B. As Is. Buyer accepts the premises in all respects (except well and septic
293 systems) in "AS IS" condition as of date of Contract and waives the
294 provisions of Paragraph 12 hereof. **(Delete Paragraph 12 and initial**
295 **deletion - does not affect Paragraph 13.)**

296 ___/___ ___/___ C. Home Warranty Plan. Seller shall provide to Buyer, at Seller's expense, a
297 Home Warranty Plan, providing for basic and (_____))
298 coverage for twelve months from date of closing as follows:

299
300 _____
301 Company Cost not to Exceed Service Fee

302 ___/___ ___/___ D. Repair Rider is incorporated by reference.

303 ___/___ ___/___ E. Flood Certification. (For use with cash or Seller financed transactions
304 only.) This Contract is subject to Buyer obtaining within seven (7)
305 business days of the acceptance of this Contract, a determination that the
306 premises are not located in a FEMA designated special flood hazard ("A
307 Zone") area or this Contract shall be void.

308 ___/___ ___/___ F. Survey Rider is incorporated by reference.

309 ___/___ ___/___ G. Occupancy Rider is incorporated by reference - Also see Paragraph 8.

310 ___/___ ___/___ H. Short Sale Rider is incorporated by reference.

311 ___/___ ___/___ I. Agreement for Deed Rider is incorporated by reference.

312 ___/___ ___/___ J. Tax-Deferred Exchange. The parties agree to cooperate in the completion
313 of a tax-deferred exchange in accordance with the applicable provisions of the Internal Revenue
314 Code; provided, however, that no party shall be required to accept conveyance of and re-convey
315 other premises unless specifically agreed to in writing by them. A party's rights under this
316 Contract, however, may be assigned to a qualified third party escrowee to accomplish a "Starker"
exchange.

317

318 **NOTICE TO PARTIES**

319 **BY THE SIGNING OF THIS CONTRACT, YOU ARE ENTERING INTO A BINDING**
320 **LEGAL AGREEMENT. ANY REPRESENTATION UPON WHICH YOU RELY**
321 **SHOULD BE INCLUDED IN THIS AGREEMENT. NO ORAL REPRESENTATION**
322 **WILL BE BINDING UPON OR AN OBLIGATION OF THE SELLER, BUYER, OR**
323 **REAL ESTATE BROKER. THE UNDERSIGNED ACKNOWLEDGE THAT THEY**
324 **HAVE HAD THE OPPORTUNITY TO CONSULT WITH SEPARATE LEGAL**
325 **COUNSEL PRIOR TO THE EXECUTION OF THIS AGREEMENT.**

326 *****NOTICE REGARDING ENVIRONMENTAL LIABILITY*****

327 **BECAUSE OF THE RISK OF SUBSTANTIAL LIABILITIES RESULTING FROM THE**
328 **OWNERSHIP OF REAL ESTATE THAT MAY BE AFFECTED BY**
329 **ENVIRONMENTAL DEFECTS OR OTHERWISE SUBJECT TO FEDERAL AND/OR**
330 **STATE ENVIRONMENTAL REGULATIONS, SELLERS AND BUYERS ARE**
331 **ADVISED TO CONSULT THEIR RESPECTIVE ATTORNEYS PRIOR TO**
332 **EXECUTING A CONTRACT FOR PURCHASE AND SALE, REGARDING SUCH**
333 **LIABILITY RISKS AND REGARDING ADDITIONAL CONTRACT LANGUAGE**
334 **ADDRESSING THE ASSESSMENT OF ENVIRONMENTAL LIABILITY RISKS.**
335

336 Dated: _____ and to be accepted by: _____

337 BUYER: _____ BY: _____

338 Buyer hereby acknowledges receipt of: A) Radon Disclosure ___/___ (Buyer's Initials)

339 B) Residential Real Property Disclosure Report ___/___ (Buyer's Initials)

340 C) Lead-Based Paint Rider Required for Pre-1978 Residential Property ___/___ (Buyer's Initials)

341 Presented to Seller _____ (date) Seller's Initials: ___/___

342 Countered: _____ with counteroffer to be accepted by: _____

343 SELLER: _____ BY: _____

344 Date of Final Acceptance & Delivery: _____ **(Insert after all terms and conditions**
345 **have been agreed upon)**

346 Escrowee acknowledges receipt of the earnest money select one: ___ Cash ___ Check ___ Note

347 Amount: \$ _____

348 Escrowee Name: _____ Signature: _____