

PRICE ESCALATION RIDER

Joint approved form: Winnebago County Bar Association “WCBA” and NorthWest Illinois Alliance of REALTORS® (“NWIAR”) for use in Winnebago, Boone and Ogle Counties

THIS PRICE ESCALATION RIDER is attached to and made a part of the Contract for Purchase and Sale (the “Contract”) entered into by and between _____ (“Buyer”) and _____ (“Seller”) for the real estate located at _____ (“Premises”).

1. The purchase price set forth in paragraph 4 of the Contract shall be increased under the following circumstances:
 - a. Prior to execution of the Contract by Seller, Seller receives from a competing potential buyer a written bona fide offer to purchase the Premises for a higher purchase price that Seller desires to accept; and
 - b. Any such competing offer is not contingent upon the sale of the competing potential buyer’s residence.
2. In the event that the circumstances set forth in Paragraph 1 of this Rider occur, the purchase price set forth in the Contract shall be increased to \$_____ more than the highest competing offer, provided that the purchase price shall not exceed \$_____, which is the maximum total amount that the Buyer is willing to pay for the Premises. Seller shall promptly deliver notice to the Buyer together with the fully executed Contract reflecting the increased purchase price as well as a copy of the highest competing offer. Upon such delivery, the Contract shall be deemed in full force and effect at the increased purchase price without any further action or further signature by any party. Failure of Seller to execute the Contract and this Rider and deliver the foregoing documents to Buyer on or before _____ shall automatically render the Contract and this Rider null and void without any further action of the parties.
3. The parties understand and acknowledge that Seller is not obligated to accept the offer with the highest purchase price as calculated in accordance with competing Price Escalation Riders.

The parties are encouraged to seek legal counsel on the use of this Rider. To the extent any terms of the Contract and this Rider conflict, the terms of this Rider shall control.

Buyer

Seller

Buyer

Seller

Date

Date