

**VACANT LOT SALES CONTRACT**

**THIS FORM OF AGREEMENT WHEN FILLED IN AND EXECUTED BY BOTH BUYER AND SELLER IS INTENDED TO BECOME A BINDING REAL ESTATE CONTRACT**

This agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_, between Seller(s) \_\_\_\_\_ Mailing Address \_\_\_\_\_ Zip \_\_\_\_\_, and Buyer(s) \_\_\_\_\_ Mailing Address \_\_\_\_\_ Zip \_\_\_\_\_, who Contract to purchase the following described real estate commonly known as: \_\_\_\_\_, with PIN: \_\_\_\_\_.

**1. CONTRACT SALES PRICE AND TERMS**

Purchase Price \$ \_\_\_\_\_  
Earnest Money Deposit in forms of (cash)(personal check)(cashier's check)(note due) \$ \_\_\_\_\_  
To be Held By \_\_\_\_\_  
Balance due at closing \$ \_\_\_\_\_

**2. METHOD OF PAYMENT: Buyer Shall Obtain Financing in the Manner Indicated Below**

*(Complete Applicable Statement)*

A. This is a cash transaction. The payment of \$ \_\_\_\_\_ in cash, or by certified, cashier's or title company's check.

B. Financing:

- 1. This Contract is contingent upon the ability of the Buyer to obtain a commitment for an (\_\_\_\_) adjustable rate, (\_\_\_\_) fixed rate, mortgage loan of not less than \_\_\_\_% of purchase price at an initial rate not greater than \_\_\_\_% with no more than \_\_\_\_ points being charged for said loan, for a term not less than \_\_\_\_ years by \_\_\_\_\_, 20\_\_. If such a commitment is not so obtained, this Contract shall be void and all earnest money shall be returned to the Buyer, provided that Buyer has made a diligent effort to obtain such a mortgage loan within the time specified above.
- 2. This Contract is contingent upon the ability of the Buyer to assume the existing mortgage with an approximate principal balance of \$ \_\_\_\_\_ with interest at the rate of \_\_\_\_\_% per annum, with principal and interest payments of \$ \_\_\_\_\_ and with the balance to be paid in cash at time of closing.
- 3. This Contract is contingent upon Buyer and Seller signing a Contract for Deed with the principal balance of \$ \_\_\_\_\_, and interest at the rate of \_\_\_\_\_% for the term of \_\_\_\_\_ years, amortized over \_\_\_\_\_ years with \_\_\_\_\_ payments of \$ \_\_\_\_\_ (or more) for principal and interest balance of \$ \_\_\_\_\_ in cash at time of execution of such contract.
- 4. Seller may agree to provide a purchase money mortgage with similar general terms as the prevalent mortgage documents being used in the community and with the same specific terms as previously set forth in Paragraph 2,B.1. If Buyer cannot otherwise obtain financing, Seller must notify Buyer no later than five days before the date specified in paragraph 2,B.1 or this Contract shall be void as provided in Paragraph 2,B.1.

**3. CONTINGENCIES:**

If the Buyer has submitted a written loan application, made a diligent good faith effort to procure a loan commitment and does not have an unconditional written loan commitment (except for matters of title, survey, or matters the Buyer can control) by \_\_\_\_\_, either the Buyer or the Seller shall have the option of declaring this Contract null and void by giving notice to the other party not more than five (5) calendar days after the date specified

herein. In the event Buyer does not give written notice of failure to obtain the loan commitment or Seller does not elect to declare this Contract null and void, then this Contract shall continue in full force and effect without any loan contingencies.

Unless Sale of Buyer's Real Estate Rider \_\_\_\_\_ is attached and made a part of this Contract, Buyer represents that Buyer's ability to obtain financing is not subject to the sale, closing or rental of any other real estate. Buyer shall be deemed to have satisfied the financing conditions of this paragraph if he obtains a loan commitment in accordance with the terms of this paragraph even though the loan is conditioned on the sale, closing or rental of any other real estate.

#### 4. CLOSING AND POSSESSION

This Contract shall be closed on or before \_\_\_\_\_, 20\_\_\_\_, or at such other time as may be mutually agreed, in writing, at the office of Buyer's lender or the title company office geographically nearest the premises. Possession shall be at closing subject to the right of any tenants in possession not previously terminated, in writing. The parties agree that possession of said property is to be delivered to Buyer on or before the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

#### 5. EARNEST MONEY ESCROW (*Initial Appropriate One*)

The earnest money funds shall be held in escrow by Listing Broker \_\_\_\_\_, Buyer Attorney \_\_\_\_\_, Selling Broker, \_\_\_\_\_ Seller Attorney \_\_\_\_\_, for the mutual benefit of the parties, and shall be disbursed according to the terms of this Contract. In the event that the Buyer and the Seller fail to reach an agreement regarding dispersal of the earnest money, the provisions of Paragraph 6 shall govern.

#### 6. RETURN OF EARNEST MONEY

THERE SHALL BE NO DISBURSEMENT OF EARNEST MONEY UNLESS ESCROWEE HAS BEEN PROVIDED WITH A SIGNED AGREEMENT FROM SELLER AND BUYER. Absent an agreement relative to the disbursement of earnest money within a reasonable period of time, Escrowee may deposit funds with the Clerk of the Circuit Court by the filing of an action in the nature of an interpleader. Escrowee shall be reimbursed from the earnest money for all costs, including reasonable attorney's fees relating to the filing of the interpleader action. Seller and Buyer hereby indemnify and hold Escrowee harmless from any and all claims and demands arising out of the interpleader action. Seller and Buyer hereby indemnify and hold Escrowee harmless from any and all claims and demands arising out of any release of earnest money pursuant to a written agreement of the parties or court order.

#### 7. NOTICES

All notices required to be given under this Contract shall be construed to mean notice in writing signed by or on behalf of the party giving same, and served upon the other party or their attorney personally or deposited properly addressed to such party to the address herein set forth in the U.S. mail, postage paid, certified or registered mail, return receipt requested.

#### 8. TRANSFER TAX STAMPS

Seller shall pay for the State of Illinois and County Real Estate Transfer Tax Stamps. Any municipal transfer tax shall be paid by the party designated. If no party is clearly designated, then the municipal transfer tax shall be paid by Seller.

#### 9. CONVEYANCE

At closing, Seller shall convey and transfer the property to Buyer by warranty deed, appropriate assignment or other similar acceptable instrument of conveyance, which instrument shall be subject to the exceptions permitted herein, releasing homestead. At the same time the balance of the purchase price then due shall be paid and all documents relative to the transaction shall be signed and delivered. In the event the Buyer shall assume any existing indebtedness, cost of such assumption shall be borne by Buyer.

#### 10. TITLE

(a) At least seven (7) calendar days prior to the closing date, Seller shall furnish or cause to be furnished to Buyer, at the expense of Seller, a recent commitment issued by a title insurance company licensed to do business in the State of Illinois to issue an owner's title insurance policy, on the current form of American Land Title Association Owner's Policy (or equivalent policy), including coverage over General Schedule B exceptions, in the amount of the purchase

price covering the date hereof, subject only to: (1) the permitted exceptions as set forth in paragraphs 9 and 10; (2) title exceptions pertaining to liens or encumbrances of a definite or ascertainable amount which may be removed by the payment of money at the time of closing (an amount sufficient to secure the release of such title exceptions shall be deducted from the proceeds of sale due Seller at closing); and (3) acts done or suffered by or judgment against Buyer or those claiming by, through or under Buyer. (b) If the title commitment or survey discloses unpermitted exceptions, Seller shall have thirty (30) calendar days from the date of delivery thereof to have the said exceptions waived, or to have the title insurer commit to insure against loss or damage that may be caused by such exceptions and the closing date shall be delayed, if necessary, during said thirty (30) calendar day period to allow Seller time to have said exceptions waived. If Seller fails to have unpermitted exceptions waived or, in the alternative, to obtain insurance over such unpermitted exceptions within the time specified, Buyer may terminate the Contract between the parties or may elect, on notice to Seller within ten (10) calendar days after the expiration of the thirty (30) calendar day period, to take the title as it then is, with the right to deduct from the purchase price liens or encumbrances of a definite or ascertainable amount. If Buyer elects to terminate the Contract, this Contract shall be null and void. (c) Every title commitment which conforms with subparagraph (a) shall be conclusive evidence of good title as therein shown as to all matters insured by the policy, subject only to special exceptions therein stated. (d) Either party may require an escrow closing to be paid by the requesting party. If the Buyer is securing financing pursuant to Paragraph 2, Buyer shall pay the title company closing fee. If this is a cash transaction, the title company closing fee shall be shared by the parties.

11. SURVEY (Check if applicable \_\_\_\_\_)

At least ten (10) days prior to closing, Seller shall furnish to the Buyer at (\_\_\_\_) Seller's (\_\_\_\_) Buyer's expense a staked, boundary line survey by a licensed land surveyor dated within six months of Closing showing the location of the buildings, easements, lot lines, setback lines and other improvements on the Premises. If the survey shows other than the permissible exceptions described in paragraphs 9 and 10, encroachments from adjacent property, or that improvements are not located within the setback and lot lines, then these shall be considered defects in the title to the property. Should Seller not correct said defects within the timeline and specifications outlined in paragraphs 9 and 10, at Buyer's option, Buyer may declare the contract null and void with all earnest money returned to Seller, or elect to take title as is and deduct from the purchase price the amounts of liens and encumbrances.

12. PRORATIONS:

Rents, accrued interest on any assumed mortgage, private service contracts and homeowner's and/or condominium association dues and assessments, if any, shall be prorated as of the closing date. General real estate taxes, including special service areas, if any, for the Premises shall be prorated as of the closing date on the basis of the latest known assessment multiplied by the last known tax rate and any new multiplier less the homestead exemption where applicable and senior citizen exemption, if applicable, and said proration shall be final. For sales where the most recent real estate bill is for a Premises which has not been assessed as fully improved for one calendar year, the general real estate taxes shall be re-prorated at the time of the receipt of the actual tax bill. All prorations shall be made on a 365-day basis.

In the event the Premises is part of a "Special Service Area" for installation of public improvements, the assessments for which are not included in the applicable tax bill, any unpaid assessments therefor shall be paid for by the Seller if the improvements have or are in the process of being installed on the Contract Date. In all other cases, the assessments shall be the responsibility of the Buyer.

13. CROPS AND EXPENSES (If applicable)

Seller/Buyer shall receive the Landlord share (or cash rent) for the 20\_\_\_\_ crop year in the amount of \_\_\_\_\_ per acre. Seller/Buyer shall pay \_\_\_\_\_ of the Landlord's share of the 20\_\_\_\_ crop expenses; if applicable.

14. MINERAL RIGHTS (If applicable)

The Buyer will receive and Seller will convey all of Seller's water, oil, gas, coal and other mineral rights not conveyed of record and shall execute an appropriate assignment of any existing leases or contracts relating to those rights.

15. SELLER'S REPRESENTATION: Seller represents that, to the best of his knowledge and belief:

A. The property is not located within a designated flood plain and that he has received no notice of any ordinance or building code violation or pending special assessment, condemnation, rezoning, or annexation from any governmental body in connection with the subject premises.

B. There are not now, nor to the knowledge of the Seller, have there ever been, any underground tanks located on this property.

C. Seller further warrants that the environmental and ecological condition of the property is not in violation of any law, ordinance, rule or regulation applicable thereto, including, without limitation, the Federal Environmental Clean-Up and Protection Act, the Illinois Pollution Control Act, or Rules and Regulations of the Illinois Environmental Protection Agency; the soil, surface, water and ground water of and on the property are free of any solid waste, toxic or hazardous substance or contaminate; and the property has not been used for treatment, storage, or disposal of any waste material.

D. Seller represents that there will be no title liens, unrecorded liens, judgment liens, mechanic's liens or Uniform Commercial Code liens against any of the property on closing date. Additionally, Seller represents that he has not received notice from any governmental body of any ordinance or zoning violation, condemnation proceeding or pending rezoning proceeding affecting the premises.

E. Seller represents that the lot being transferred is a legally created lot, is not land-locked, does not violate the Illinois Plat Act, and is a buildable lot.

#### 16. ATTORNEY'S MODIFICATION

The terms of this Contract and all Riders attached, except the purchase price, are subject to good faith modification (which may include additional terms) by the attorneys for the parties within five (5) business days from the Contract Date. Notice of modification by any party shall be in writing stating the specific terms to be modified and the proposed revisions. The modifications must be accepted, rejected or modified by the other party within five (5) business days from the effective date of the notice of the first proposed modifications. No other offer may be accepted during the modification period unless the offer is contingent upon termination of this Contract. If all or some of the proposed modifications are not accepted, the party proposing the modifications shall have the right within two (2) business days after the effective date of the notice of rejection of any or all of the proposed modifications to accept the Contract without the proposed modifications or with the accepted modifications, if any, or declare the Contract null and void. Receipt of notice of proposed modifications shall not extend any time periods in the Contract. FAILURE TO RESPOND TO ANY PROPOSED MODIFICATIONS(S) WITHIN THE TIME SET FORTH HEREIN SHALL BE DEEMED ACCEPTANCE OF THE MODIFICATION(S). If no proposed modifications are requested by any party within five (5) business days of the Contract Date, the provisions of this paragraph will be inoperative and the Contract will remain in full force and effect.

#### 17. PERFORMANCE

Should Buyer fail to perform this Contract promptly on Buyer's part, at the time and in the manner herein specified, the Seller shall, at his election, have all rights and remedies for breach of this Contract as may be permitted in law or equity, including but not limited to, the right to retain the earnest money paid above as liquidated damages, and in the event of such retention, this Contract thereupon shall become and be null and void. Escrowee shall, in case said earnest money be retained as herein provided, apply the same first to the payment of any expenses incurred on behalf of Seller, and second dividing the balance between Seller and Broker to the extent of Broker's fee or commission.

#### 18. TAX DEFERRED EXCHANGE (*Initial if applicable:* \_\_\_\_\_ Buyer(s) \_\_\_\_\_ Seller(s))

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

#### 19. DUAL AGENCY CONFIRMATION (*Initial if applicable:* \_\_\_\_\_ Buyer(s) \_\_\_\_\_ Seller(s))

The undersigned confirm that they have previously consented to \_\_\_\_\_ (“Licensee”) acting as a Dual Agent in providing brokerage services on their behalf and specifically consent to Licensee acting as a Dual Agent in regard to the transaction referred to in this contract.

## 20. GENERAL CONDITIONS AND STIPULATIONS

- A. Time shall be considered to be of the essence of this Contract. The warranties and agreement herein contained shall extend to and be obligatory upon the heirs, executors, administrators, successors and assigns of the parties hereto. If there be more than one Seller or Buyer, the word “Seller” or “Buyer” wherever used herein shall, respectively, be construed to mean Sellers and Buyers, and the necessary grammatical plural changes shall in all cases be assumed as though in each case fully expressed.
- B. All notice and demands herein required or given hereunder shall be in writing. The mailing of any such notice or demand by certified mail with return receipt to the Seller or to the Buyer at their respective addresses hereinbefore set forth shall be considered sufficient service as of three (3) days after mailing. If there is more than one Seller or Buyer hereunder, the mailing of such notice or demand to any one Seller or Buyer at said respective addresses shall be considered to be sufficient service on all such Sellers and Buyers respectively.
- C. THE PARTIES UNDERSTAND AND AGREE THAT IT IS ILLEGAL FOR EITHER OF THEM TO REFUSE TO DISPLAY OR SELL SELLER’S PROPERTY TO ANY PERSON ON THE BASIS OF RACE, AGE, COLOR, RELIGION, SEX, ANCESTRY, MARITAL STATUS, PHYSICAL OR MENTAL HANDICAP, FAMILIAL STATUS, NATIONAL ORIGIN, OR ANY OTHER CLASS PROTECTED BY ARTICLE 3 OF THE ILLINOIS HUMAN RIGHTS ACT. THE PARTIES AGREE TO COMPLY WITH ALL APPLICABLE FEDERAL, STATE, AND LOCAL FAIR HOUSING LAWS.
- D. This Contract contains all the terms and conditions agreed upon by the parties hereof, and supercedes all oral agreements, regarding the subject matter of this Contract and may only be amended or altered in writing signed by all parties.
- E. Seller and Buyer agree to provide all information necessary to complete and execute all documents and perform all actions necessary to comply with the following: (a) Real Estate Settlement Procedures Act of 1974; (b) Internal Revenue Service Form 1099S; (c) Section 445 of the Internal Revenue Code as amended (which deals with the citizenship of the seller); (d) a mutually agreeable summary of the closing transaction; and (e) all laws, statutes, ordinances and regulations applicable to the transaction.
- F. Facsimile copies and signatures on this Contract shall be as valid as an originally signed Contract.
- G. Seller shall furnish Buyer at closing with an Affidavit of Title covering the closing date, subject only to those permitted exceptions set forth in paragraph 6 and unpermitted exceptions, if any, as to which the title insurer commits to extend insurance in the manner specified in paragraph 6. In the event that this Contract between the parties calls for title to be conveyed by a trustee’s deed, the Affidavit of Title required to be furnished by Seller shall be signed by the beneficiaries of said Trust.
- H. Buyer and Seller agree that if Seller is a “foreign person” within the meaning of Section 1445 of Internal Revenue Code, then Buyer shall withhold and deduct from sale proceeds a tax equal to 10% of the amount realized. This provision shall not apply if: (a) Seller furnished to Buyer an affidavit stating under penalty of perjury Seller’s U.S. Taxpayer I.D. number, and that Seller is not a foreign person as defined by the Internal Revenue Code; or (b) there are any other exceptions permitted in Section 1445 of the Internal Revenue Code. If the lender or title company assumes no responsibility with regard to Form 1099 compliance, Seller shall have the responsibility for filing the necessary documentation to comply with Form 1099.
- I. “Business days” for the purpose of this Contract shall include Monday through Friday, except for the following: the first day of January (New Year’s), the third Monday in January (Martin Luther King, Jr.), the 12<sup>th</sup> day of February (Lincoln’s), the third Monday in February (Presidents’), the Friday preceding Easter Sunday (Good Friday), the last Monday in May (Memorial Day), the 4<sup>th</sup> of July, the first Monday in September (Labor Day), the second Monday in October (Columbus Day), the 11<sup>th</sup> day of November (Veteran’s Day), the fourth Thursday in November (Thanksgiving), and the 25<sup>th</sup> day of December (Christmas).

- J. Where in this Contract masculine pronouns are used or words indicating the singular number appear, such words shall be considered as if feminine or neuter pronouns or words indicating the plural number were used where the context indicates the propriety of such use.
- K. The invalidity of any paragraph or subparagraph of this Contract shall not impair the validity of any other paragraph or subparagraph. If any provision of this Contract shall be determined to be unenforceable, such provision shall be determined severable the Contract may be enforced with such provisions severed or as modified by such court.

21. CONTRACT ACCEPTANCE PERIOD

This Contract shall be accepted in writing on or before \_\_\_\_\_ on \_\_\_\_\_, 20\_\_\_\_ or this Contract shall become null and void at the option of the Buyer.

This Contract is made and executed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

I (We) do hereby accept the foregoing Contract this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Buyer Signature SS#

\_\_\_\_\_  
Seller Signature SS#

\_\_\_\_\_  
Buyer Signature SS#

\_\_\_\_\_  
Seller Signature SS#

\_\_\_\_\_  
Print Buyer(s) Name(s)

\_\_\_\_\_  
Print Seller(s) Name(s)

\_\_\_\_\_  
Attorney Name

\_\_\_\_\_  
Attorney Name

\_\_\_\_\_  
Attorney Phone / Fax

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Attorney Phone / Fax

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By Agent

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By Agent

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Address

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Address

\_\_\_\_\_  
Phone #

\_\_\_\_\_  
Phone #

\_\_\_\_\_  
E-Mail Address

\_\_\_\_\_  
E-Mail Address

The undersigned Listing Broker as Escrowee acknowledges receipt of the aforementioned earnest money and agrees that said funds shall be held and disbursed by Escrowee according to the terms of the foregoing Contract, and all parties shall receive copies of same.

\_\_\_\_\_  
Selling Broker

\_\_\_\_\_  
Listing Broker

Seller acknowledges that this offer was presented and rejected on:

Date: \_\_\_\_\_

Time: \_\_\_\_\_

\_\_\_\_\_  
Seller Signature

**THIS IS A LEGALLY BINDING CONTRACT. IF NOT UNDERSTOOD, SEEK LEGAL ADVICE. IT CONTAINS THE ENTIRE AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CHANGED EXCEPT BY THEIR WRITTEN CONSENT.**