

KEY HIGHLIGHTS

OF CHANGES IN THE

MULTI-BOARD RESIDENTIAL REAL ESTATE CONTRACT 5.0

Version 4.0

Version 5.0

OVERVIEW:

Contract is eleven 8 ½ by 11" pages with PDF "fill-in-the-blanks" formatting and a more readable typeface.

Note: The 2009 Revision of the Contract is

© 2009, Illinois Real Estate Lawyers Association ("IRELA"). The Official Form is maintained on the IRELA web site (www.irela.org).

The contract has been approved by all of the organizations listed to the right.

Illinois Real Estate Lawyers Association, Aurora Tri-County Association of REALTORS®, Chicago Association of REALTORS®, DuPage County Bar Association, Kane County Bar Association, Lake County Bar Association, McHenry County Association of REALTORS®, North Shore - Barrington Association of REALTORS®, Northwest Suburban Bar Association, Oak Park Board of REALTORS®, REALTOR® Association of the Fox Valley, REALTOR® Association of the Northwest Chicagoland, REALTOR® Association of West/South Suburban Chicagoland, Three Rivers Association of REALTORS®, West Towns Board of REALTORS®

[Same, or more]

9. Attorney Review

"Automatic Kill":

If no resolution on proposed modifications within 10 Bus. Days, contract automatically becomes **null and void**.

Can declare deal dead if no agreement w/in 10 Business Days
Now can propose "safe harbor" modifications (Par. 9(d))
"Default" is to Par. 9(c).

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10. Professional Inspections	<p style="text-align: center;">“Automatic Kill”: If no resolution of inspection issues within 10 Bus. Days, contract becomes null and void.</p> <p style="text-align: center;">Added: “The fact that a functioning component may be at the end of its useful life shall not render such component defective for the purpose of this paragraph.”</p> <p style="text-align: center;">Added: If radon mitigation done, seller pays for retest.</p> <p style="text-align: center;"><i>Note: the 10 Bus. Days can be extended by mutual agreement</i></p>	<p style="text-align: center;">Can declare deal off if no agreement w/in 10 Bus. Days.</p> <p style="text-align: center;">AND</p> <p style="text-align: center;">Inspection results can be a basis for terminating (no obligation to negotiate) (“Money Pit” provision.)</p>
11. Mortgage Contingency	<p style="text-align: center;">Loan Amount expressed as a dollar amount. Checkboxes to indicate if completed Loan Status Disclosure given to seller and to indicate type of loan</p>	<p style="text-align: center;">Loan amount expressed as a percentage of price.</p> <p style="text-align: center;">No longer any checkboxes referring to Loan Status Disclosure – seeking to make clear that Loan Status Disclosure is a separate document (not a part of the contract)</p>
16. Title		<p style="text-align: center;">Title insurance may insure against “court-ordered forced removal of encroachments”</p>
17. Plat of Survey	<p style="text-align: center;">Boundary survey “showing any encroachments” . . . “show all corners staked, flagged or otherwise monumented”</p>	<p style="text-align: center;">Similar requirements. “Visible evidence of improvements . . .” “Set monuments or witness corners at all accessible corners . . . visibly staked or flagged”</p>

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21. Seller Representations	Paragraph format. Survival of representations not specified.	Redesigned column form. Representations specifically survive closing.
23. Municipal Ordinance, Transfer Tax, and Governmental Compliance	Formerly entitled simply " <i>Governmental Compliance</i> " in 4.0, dealt only with tax reporting compliance.	New subparagraph A states: "Parties are cautioned that the Real Estate may be located in a municipality that has adopted a pre-closing inspection requirement, municipal transfer tax or other similar ordinance. Transfer taxes required by municipal ordinance shall be paid by the party designated in such ordinance."
33. Credit at Closing	Entitled: "<i>Closing Cost Credit</i>" in 4.0	Credit given at closing for Buyer's prepaid expenses, closing costs, or both.
35. VA or FHA Financing	Contains specific terms. Required seller to pay up to or equal to \$200.00 toward Buyer's lender fees.	Incorporates by reference VA and FHA forms and disclosures – states simply that "Required FHA or VA amendments and disclosures shall be attached to this Contract." Deletes requirement that Seller contribute to Buyer's lender fees.

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<p>39. Post-Closing Possession</p>	<p>Amount of use and occupancy payable after the date possession was to have been delivered as described therein increases <i>fivefold</i>.</p> <p>Rent only for days actually used.</p> <p>Escrow acts as security deposit for condition of property</p>	<p>Amount of use and occupancy payable after the date possession was to have been delivered as described therein increases <i>threefold</i>.</p> <p style="text-align: right;">Same.</p> <p style="text-align: right;">Same.</p>
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