

**REAL ESTATE PURCHASE CONTRACT**  
**(COMMERCIAL SHORT FORM)**

**THIS AGREEMENT** is entered into by and between \_\_\_\_\_ ,  
(being the record title holder or authorized agent for such record title holder), (hereinafter called "**Seller**"), and  
\_\_\_\_\_ (or its nominee), (hereinafter called  
"**Purchaser**").

1. **Conveyance:** Seller agrees to sell and convey to Purchaser, and Purchaser agrees to purchase from Seller, the real estate commonly known as \_\_\_\_\_, \_\_\_\_\_ County, Illinois, which real estate is improved with \_\_\_\_\_ and being more particularly described legally in **Exhibit "A"** attached hereto and made a part hereof, together with all easements, rights and appurtenances thereto, all buildings and improvements now located thereon, and all of Seller's rights, title and interest in all public ways adjoining the same (hereinafter, with the land, collectively called "**Premises**").

2. **Purchase Price:** The "**Purchase Price**" is \_\_\_\_\_ dollars (\$\_\_\_\_\_.) The purchase price (plus or minus closing prorations) shall be due and payable in cash upon Closing.

3. **Deed and Other Documents:** Seller shall convey marketable and insurable title to the Premises by a Warranty Deed, at Seller's sole cost, subject only to current real estate taxes, not delinquent, and covenants, conditions, easements, encumbrances and restrictions approved by Purchaser in writing and those Permitted Title Exceptions set forth and identified on **Exhibit "B"** attached hereto and made a part hereof. Seller shall also furnish Purchaser with: (i) an Affidavit of Title in customary form; (ii) a Bill of Sale for any items of personal property which the parties have agreed in writing are a subject of this transaction which items are set forth or described on **Exhibit "C"** attached hereto; (iii) assignments in proper form of all existing Leases (if any and if Purchaser, in its sole and absolute discretion elects to accept title subject to any such Lease) together with reasonable form notices to the tenants (executed by Seller) apprising each tenant of such lease assignment and the sale of the Premises; (iv) a reasonable form of Tenant Estoppel Certificate executed and provided by each tenant; (v) assignments in proper form of all maintenance and service contracts, insurance policies, assignable roof warranties and other such assignable warranties pertaining to the building or Premises (if any) and other such items affecting the Premises which Purchaser is willing to accept (if any); (vi) a certified Rent Roll, executed by the Seller; (vii) a Closing Statement; and (viii) such other documents as are customarily required or are required herein to be delivered at Closing (including ALTA Statements, FIRPTA Statements and title company undertakings). Seller agrees to execute and deliver to Purchaser any other affidavit, statement or other document normally required by the title insurance company specified in Paragraph 5 as a condition for the issuance of the title insurance policy provided for below.

4. **Earnest Money:** Total earnest money hereunder shall be \_\_\_\_\_ dollars (\$\_\_\_\_\_ ) and shall be paid upon full execution of this Contract either in cash or in the form of an irrevocable standby letter of credit issued by an institution reasonably acceptable to Seller and in form and content satisfactory to Seller (the "**earnest money**"). All cash earnest money paid by Purchaser shall be credited toward the purchase price at Closing. The earnest money shall be held by the title insurer/escrow agent pursuant to a customary form of strict joint order escrow and a cash portion thereof shall be invested in an interest-bearing federally insured bank account or money market account or other investment acceptable to the parties, with all interest earned thereon for the benefit of Purchaser. Purchaser shall deposit the balance of the purchase price in escrow established with the escrow agent upon Closing. If Purchaser defaults hereunder and fails to cure said default within fifteen (15) days after receipt of written notice thereof from Seller, then, upon demand of Seller, said earnest money, whether in form of cash or letter of credit, shall be forfeited as liquidated damages, and not as a penalty; and this Contract shall become null and void. Further, if such earnest money is in form of a letter of credit upon such default and expiration of cure period Seller shall be permitted to draw on such letter of credit without further notice. If this Contract is terminated for any reason

other than Purchaser's default, the earnest money, whether in form of cash or letter of credit, shall immediately be returned to the Purchaser.

5. **Title Insurance:** Seller, at its own expense, shall procure and deliver to Purchaser within fifteen (15) days after execution hereof a title commitment on the Premises for a 1992 ALTA owners title insurance policy, (with requirements set forth for extended coverage which requirements shall be satisfied by Seller prior to Closing), or a comparable form, from **Chicago Title Insurance Company**, or from such other title insurer to which Purchaser agrees in writing (the "**title insurer**" or "**escrow agent**") in the amount of Purchase Price, covering the date of this Contract. If Purchaser or its lender so request, Seller shall arrange for and procure as part of such required title insurance coverage (as a Purchaser's title expense) a 3.1 zoning endorsement (with parking) and/or access endorsement and/or such other endorsements as may be reasonably so requested. If the title commitment discloses any defects in title, Seller shall have thirty (30) days from the date of Purchaser's notice of such defects to make a good faith effort to cure such defects and to furnish a later date report showing defects cured or removed. If such defects cannot be cured within said thirty (30) days, Purchaser may terminate this contract or may, at its election, 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 upon giving to Seller notice of such election and tendering performance on its part. When title is transferred to Purchaser, Seller shall cause to be delivered to Purchaser an owner's title insurance policy, as aforesaid, subject only to the approved title matters.

6. **Survey:** Seller shall, at Seller's expense, furnish Purchaser at least thirty (30) days prior to Closing with a current (not more than six (6) months old) certified land title survey drawn in accordance with the Minimum Standard Detail Requirements for Land Title Surveys as adopted by the American Land Title Association and American Congress on Surveying and Mapping, bearing a legal description, made by a licensed surveyor, showing the area, dimensions and location of the Premises to the nearest monuments, streets, alleys on all sides, the location of all available utilities in adjoining streets, alleys or property, the location of all improvements and encroachments, the location of all recorded easements against or appurtenant to the Premises, and not disclosing any condition rendering the Premises unusable.

7. **Purchaser's Contingencies:** Seller hereby acknowledges that this purchase and sale is subject to the following additional general conditions precedent:

- A. **Purchaser's Review of Economic and Feasibility Conditions:** Within \_\_\_\_\_ ( \_\_\_ ) days after the date of Seller's acceptance of this Contract, Seller shall make all of the following available to Purchaser for inspection and/or reproduction (to the extent the same exist and are reasonably available) and upon receipt Purchaser shall sign a statement acknowledging receipt of same:
- (i) Most recent Real Estate Tax Bills and assessment information for the Premises;
  - (ii) Copy of most recent survey for the Premises;
  - (iii) Copies of all soil tests, environmental reports, studies, tests or reports in Seller's possession or reasonably available to Seller, if any, for the Premises;
  - (iv) The Premises for physical inspection by Purchaser and/or its representatives or contractors subject to the conditions set forth below.

- (v) Copies of all existing leases, rent rolls, operating statements, service and maintenance contracts, property management agreements and all other documents pertaining to the title, lease, operation and maintenance of the Premises (including copies of any pending claims or suits).

Purchaser shall have thirty (30) days after receipt of all of the foregoing to review the same and undertake other investigation and analysis for purposes of determining the feasibility, zoning and other governmental restrictions and building and construction requirements with respect to Purchaser's intended use and development of such Premises. If Purchaser has questions or requests clarification of items provided, Seller agrees it shall use its best efforts in good faith to promptly provide such clarifying information or documentation. If such items reveal any matter or condition concerning the Premises that would make it undesirable in Purchaser's judgment to acquire the Premises, Purchaser may elect, in Purchaser's sole discretion, to terminate this Contract by so notifying Seller in writing within said thirty (30) day review period and be refunded its earnest money. Absent such timely notice by Purchaser this contingency shall be deemed waived.

In connection with subparagraph 7A(iv) above, Seller shall give Purchaser access to Premises, after reasonable advance notice to Seller, and during reasonable business hours, to make such inspection and such inspection shall be conducted by Purchaser in a manner so as not to disturb the quiet enjoyment of the tenants or be disruptive to the operation of the Premises and Purchaser shall repair and restore the Premises following such inspection to the extent of any damage caused by such inspection to the same condition that existed prior thereto. Purchaser shall fully indemnify, defend and hold Seller and its directors, shareholders, partners, employees and agents harmless from and against all claims, losses, liabilities, costs, damages and expenses (including reasonable attorneys fees) incurred by Seller as a result of any such inspection. Purchaser's indemnification shall survive the Closing or termination of this Contract. Additionally, any contractors or agents employed by Purchaser to conduct physical tests or inspections of the Premises shall maintain reasonably satisfactory workmen's compensation insurance and commercial general liability coverage and Purchaser shall, upon Seller's request, furnish Seller with evidence of the same.

- B. Purchaser's Testing: Purchaser may obtain at its own expense within sixty (60) days after the effective date of this Contract, boring, percolation, environmental and other soil tests determining the physical characteristics and conditions of the sub-strata of the Premises and showing that the Premises are satisfactory, in Purchaser's sole judgment, for the purposes stated herein and do not present any obstacle, hindrance or hazard to Purchaser's plans for construction and development. Such soil conditions include, but are not limited to, underground tanks, foundations and toxic or hazardous waste materials, the presence of any of which may be deemed to present such obstacle, hindrance or hazard. Seller hereby grants to Purchaser, its agents or contractors, the right to enter upon the Premises at reasonable times to make said soil tests and examinations subject to and upon the same provisions as are set forth at the end of Paragraph 7A hereinabove.
- C. Purchaser's Financing: Purchaser shall procure from a domestic bank or other lender selected by Purchaser, within sixty (60) days after the effective date of this Contract, a firm

written commitment for a conventional acquisition loan, to be secured by a first mortgage or trust deed on the Premises, and having the following terms:

- (i) a \_\_\_\_\_ (\_\_\_\_) year minimum term with principal and interest installment payment made based upon at least a \_\_\_\_\_ (\_\_\_\_) year amortization;
- (ii) loan fees not to exceed \_\_\_\_\_ (\_\_\_\_%) percent of the loan amount;
- (iii) an annual interest rate not to exceed the equivalent of the Wall Street Journal (Midwest Edition) prime rate plus \_\_\_\_\_ (\_\_\_\_%) percent per annum if an adjustable rate or \_\_\_\_\_ (\_\_\_\_%) percent per annum if a fixed rate; and
- (iv) a loan amount equal to at least \_\_\_\_\_ (\_\_\_\_%) percent of the Purchase Price;

Seller's commitment or offer of such financing or to procure such financing will not satisfy this contingency unless Purchaser expressly agrees in writing.

[INSERT ANY ADDITIONAL PURCHASER'S CONTINGENCIES HERE].

E. Satisfaction/Completion of Contingencies. In the event the foregoing conditions of the Contract have not been satisfied or complied with within the time period expressly set forth hereinabove for satisfaction of each such condition, or in the event that the soil tests, surveys, permits and/or other approvals do not meet with Purchaser's approval or disclose matters which would make the Premises unsuitable for the purposes stated herein, anything contained herein to the contrary notwithstanding, Purchaser may upon written notice to Seller at any time within the aforementioned applicable periods of time for satisfaction of such conditions, terminate this Contract, and the earnest money and documents deposited in escrow shall be returned to the party depositing same. Purchaser and Seller covenant to act in good faith and use due diligence to satisfy all conditions for which they are responsible, and neither party shall have the right to terminate this contract unless they have so performed.

8. **Inspection:** Following the date of this contract through Closing, Purchaser or its agents shall have the right upon twenty-four (24) hours notice and at reasonable times to make or cause to be made any inspections of physical nature of the Premises deemed necessary or convenient to Purchaser. Seller agrees to fully cooperate with Purchaser in allowing Purchaser to make the foregoing inspections. All such inspections shall be subject to Purchaser's indemnity provisions at Paragraph 7A above.

9. **Seller's Warranties and Representations:** Seller hereby covenants, warrants and represents to Purchaser that:

- A. There are no actions or proceedings pending (or to Seller's best knowledge threatened) against Seller or any part of the Premises which, if determined adversely to Seller, would have an adverse effect on Seller, Purchaser or the Premises.

- B. There is neither any pending (or to seller's best knowledge threatened) any condemnation, eminent domain, or similar proceeding(s) affecting the Premises, or any part thereof, nor, to the best of Seller's knowledge, is any such proceeding or action contemplated or threatened by any governmental authority.
- C. To the best of Seller's knowledge, Seller has complied with and the Premises are in compliance with all applicable laws, ordinances, regulations, statutes, rules and restrictions relating to the Premises and the use thereof.
- D. Seller has and will have at the Closing, full and complete fee simple record title to the Premises, subject only to Permitted Title Exceptions.
- E. Seller represents and warrants that neither Seller, nor any of Seller's agents have entered into any contract to sell the Premises or any portion thereof or any interest therein (other than to the Purchaser).
- F. There are no Hazardous Materials or toxic contaminants or substances located in, on, under or about the Premises, or in any buildings or structures currently located on the Premises, which are or could be or could become detrimental to the Premises or otherwise to human health or the environment generally or which are or could become a violation of any applicable laws or regulations. For purposes herein, the term "Hazardous Material" means and includes asbestos, PCB's and any hazardous, toxic or dangerous waste, substance or material defined as such in (or for purposes of) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9610 *et seq.*, any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law, ordinance, code, rule, regulation, order or decree regulating, related to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material as now or at any time hereafter in effect.
- G. The most recent ascertainable annual general real estate taxes for the Premises for tax year \_\_\_\_\_ were approximately \$ \_\_\_\_\_. Seller has received no notice of any other assessment or tax against the Premises other than such general real estate taxes.
- H. All representations, warranties and covenants made by Seller in this Agreement shall be deemed to be remade as of the Closing and shall survive the Closing for a period of two (2) years. Seller agrees to save, defend, indemnify and hold Purchaser harmless from any cost, expenses (including reasonable attorney's fees), suits, liens, damages and/or liabilities sustained by Purchaser due to Seller's breach of any of the foregoing.

10. **Possession:** Seller covenants to deliver to Purchaser at Closing sole and actual possession of the Premises, subject only to the Permitted Title Exceptions, and the tenancy(ies) of any bona-fide tenants in possession pursuant to valid leases that are in good standing.

11. **Escrow/Closing:** Closing and settlement shall take place at the office of the title insurer/escrowee, or at a place mutually agreed to by the parties, on \_\_\_\_\_, or such other date hereafter mutually agreed in writing. This sale shall be closed in accordance with the general provisions of the usual form of Deed and Money Escrow Agreement then furnished and in use by the aforementioned escrow agent, with such special provisions inserted in the escrow agreement as may be required to conform with this

contract, or such other escrow agreement as the parties hereto may have agreed or consent to. Prior to closing in escrow, Seller shall submit to Purchaser for approval a copy of the proposed Deed, a copy of the most recent tax bill, and a copy of all other closing documents and items described in Paragraph 3 hereof. All current real estate taxes are to be prorated as of the date of closing, and if the amount of such taxes is not then ascertainable, the prorating shall be on the basis of the amount of the most recent ascertainable taxes subject to post-closing reparation of such taxes upon the availability of the bills therefor. At Closing the parties shall enter into a reasonable form of real estate tax reparation agreement. Any rents, tenant security deposits, assigned insurance policy premiums and other such items shall also be equitably prorated upon closing. All state and county transfer and conveyance taxes and/or documentary stamps and special real estate taxes and assessments shall be paid for by the Seller. The cost of any municipal transfer and conveyance taxes and/or documentary stamps shall be borne by the party charged with responsibility for the same by applicable municipal ordinance, provided, however, if the ordinance is silent as to a responsible party then the same shall be an expense of the Seller. The cost of recording the documents called for herein shall be paid for by Purchaser. The cost of the escrow shall be divided equally between Seller and Purchaser. All costs related to the issuance of the title policy, including title examination fees and premiums shall be paid for by Seller, except, however, title and escrow costs and premiums related to Purchaser's mortgage loan financing or added requested endorsements shall be an expense of Purchaser.

12. **Date of Contract/Time of the Essence/Cure of Defaults:** The effective date of this contract shall be the later of the dates following Seller's and Purchaser's signatures hereto. Time is of the essence of this contract. In the event that any of the foregoing covenants are not met or complied with within the time limits provided for herein, either party may give written notice to the other party demanding that this contract be performed within fifteen (15) days from the date of said notice. In the event said demand is not complied with, the demanding party may, at its option, declare this contract null and void and of no further force and effect and/or avail itself of any other remedy at law or in equity (including specific performance), provided, however, that except as otherwise expressly provided herein in the event Purchaser's default remains uncured, forfeiture of the earnest money shall be Seller's sole and exclusive remedy.

13. **Notices:** All notices and demands herein required shall be in writing and shall be deemed given if served personally or upon deposit in the United States Certified Mail, Return Receipt Requested as follows:

TO SELLER:

TO PURCHASER:

14. **Miscellaneous Covenants:** This Contract shall be governed by and construed in accordance with the law of the State of Illinois. Venue for any disputes hereunder or enforcement hereof shall be in the Illinois Circuit Court having its situs in the County in which the Premises are situated. All of the covenants, warranties, representations and agreements herein contained shall not merge with the Deed but rather shall survive closing and shall run with the land and extend to and be binding upon the heirs, executors, administrators, successors and assigns of the respective parties for a period of two (2) year following Closing. If any term, covenant or condition of this contract is unlawful or unenforceable, it shall be severed from this contract and given no effect and the remaining terms and conditions of this contract shall continue to be operative, binding and effective. This document contains all of the agreements between the parties and may be modified only by a written amendment executed by the parties hereto.

15. **Risk of Loss:** It is agreed that this contract is governed by the provisions of the Uniform Vendor and Purchaser Risk Act (765 ILCS 65/1 *et seq.*).

16. **Assignment:** This Contract shall bind and benefit the parties hereto and their respective heirs, successors and assigns. Purchaser shall not assign this Contract or Purchaser's rights hereunder without Seller's prior written consent, provided, however, Purchaser shall be permitted to designate and identify to Seller (by written notice at least five (5) business days prior to closing) an affiliated entity of Purchaser or Purchaser's owner who will be the nominee and assignee of Purchaser hereunder and the designated grantee in the Deed.

17. **Recordation/Memorandum:** Seller agrees to reasonably cooperate with Purchaser for purposes of executing and delivering to Purchaser a recordable short-form memorandum of this Contract if Purchaser requests the same.

18. **Broker's Commission:** Each party warrants and represents to the other that except for \_\_\_\_\_, neither party has retained a broker in connection with this sale and purchase of the Premises, and each party hereby indemnifies, defends and holds harmless the other against all claims for broker's fees or similar commissions from any brokers or finders other than those identified in this Paragraph 18, claiming by, through or under the indemnifying party. Seller shall pay any commission or fee due and owing any broker expressly identified in this Paragraph 18.

**IN WITNESS WHEREOF**, the parties have executed this Contract on the dates referred to below their respective signatures.

**SELLER:**

**PURCHASER:**

\_\_\_\_\_

\_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name/Title: \_\_\_\_\_

Name/ Title: \_\_\_\_\_

DATE: \_\_\_\_\_, 20\_\_\_\_

DATE: \_\_\_\_\_, 20\_\_\_\_

**EXHIBIT "A"**

**LEGAL DESCRIPTION**

Permanent Index Number(s):



**EXHIBIT "B"**

**PERMITTED TITLE EXCEPTIONS**

1. General real estate taxes not yet due or payable.
- 2.
- 3.
- 4.
- 5.
- 6.

**EXHIBIT "C"**

**SCHEDULE OF PERSONAL PROPERTY**

All fixtures, tools, equipment, materials and supplies owned by Seller and either on the Premises and/or otherwise utilized on-site for maintenance upkeep and operation of the Premises;