

RESIDENTIAL CONDOMINIUM PURCHASE AGREEMENT

6335 – 6337 N. Magnolia Ave, Chicago IL 60660

To: **6335 Magnolia Homes LLC, Seller**

Date:

I / We offer to purchase the property known as 6335 Magnolia Homes LLC ("premises") with a common street address of:
_____ Unit # _____ Chicago, Illinois 60660.

If applicable parking space # _____ to be included in purchase price as stated below in line 1.

FIXTURES AND PERSONAL PROPERTY. Seller agrees to transfer to Purchaser by a Bill of Sale, all heating, electrical and plumbing systems together with the following:

- | | | |
|---|---|--------------------------------|
| <input type="checkbox"/> Washer and dryer- \$ 1,500 Upgrade | <input checked="" type="checkbox"/> Ceiling fan(s) in bedroom(s) | <input type="checkbox"/> _____ |
| <input checked="" type="checkbox"/> Central HVAC system | <input checked="" type="checkbox"/> Smoke & Carbon Monoxide detector(s) | <input type="checkbox"/> _____ |
| <input checked="" type="checkbox"/> Refrigerator | <input checked="" type="checkbox"/> Door entry intercom system | <input type="checkbox"/> _____ |
| <input checked="" type="checkbox"/> Oven/Range/Microwave | <input checked="" type="checkbox"/> Coaxial cable television wiring | <input type="checkbox"/> _____ |
| <input checked="" type="checkbox"/> Dishwasher | <input checked="" type="checkbox"/> Telephone wiring | <input type="checkbox"/> _____ |

1. Purchase price shall be \$ _____ .

2. Initial earnest money \$ _____ , paid in the form of check and shall be held by Herlo Realty Inc., the Escrowee, (Make checks out to: Herlo Realty Inc.), to be increased to _____ within 10 days after acceptance hereof. Said initial earnest money shall be returned and this contract shall be void if not accepted by Seller on or before _____ , 2011. The earnest money shall be deposited by Escrowee for the benefit of the parties hereto in an escrow account in compliance with the laws of the State of Illinois, with a credit for same made to Purchaser at closing. Any escrow account created pursuant to the preceding sentence shall be non-interest bearing. Purchaser and Seller shall execute all documents necessary to establish any such escrow account and Purchaser shall assume all account service fees, if any. An original of this contract shall be held by Listing Broker.

3. The balance of the purchase price shall be paid at the closing, plus or minus prorations, as follows (PLEASE STRIKE THROUGH THE INAPPLICABLE SUBPARAGRAPH):

(a) Cash, Cashier's check or Certified Check or any combination thereof.

(b) Mortgage Contingency. This contract is contingent upon Purchaser securing within 45 days of the contract date a written commitment for a fixed rate or an adjustable rate mortgage for \$ _____ , the interest rate (or initial interest rate if an adjustable rate mortgage) not to exceed _____ % per annum, amortized over _____ years, payable monthly, loan fee not to exceed _____ %, plus appraisal and credit report fee, if any. If said mortgage has a balloon payment, it shall be due no sooner _____ than years. Purchaser shall pay for private mortgage insurance if required by lending institution. If Purchaser does not obtain such commitment, Purchaser shall notify Seller in writing by the aforesaid date. If Seller is not so notified, it shall be conclusively presumed that Purchaser has secured such commitment or will purchase said property without mortgage financing. If Seller is so notified, Seller may, within an equal number of additional days, secure a mortgage commitment for Purchaser upon the same terms, and shall have the option of extending the closing date up to the same number of days. Said commitment may be given by Seller or a third party. Purchaser shall furnish all requested credit information, sign customary documents relating to the application and securing of such commitment, and pay one application fee as directed by Seller. If Purchaser notifies Seller as above provided, and neither Purchaser nor Seller secures such commitment as above provided, this contract shall be null and void and all earnest money shall be returned to Purchaser.

4. At closing, Seller shall execute and deliver to Purchaser, or cause to be executed and delivered to Purchaser, a recordable Warranty Deed or Articles of Agreement, for such a deed if that portion of sub paragraph 3(b) is applicable, subject only to the following, if any: covenants, conditions, and restrictions of record; public and utility easements; existing leases and tenancies; special governmental taxes or assessments for improvements not yet completed; unconfirmed special governmental taxes or assessments; general real estate taxes for the year 2009 and subsequent years; the mortgage or trust deed referred to in paragraph 3 of the Provisions of this Contract. General real estate taxes shall be prorated at 1 ½ % of the purchase price (Please see No. 9 of the attached rider on Page 6).

5. Seller represents that as of the date of acceptance hereof, the regular monthly assessment pertaining to this unit is approximately \$ _____. Purchaser acknowledges and agrees that the foregoing representations and statements in this paragraph are being provided as of the date of acceptance hereof and that such assessment information could change after such date of acceptance. The Purchaser acknowledges by his signature below, that he has received a copy of the [Condominium Declaration](#) including all amendments and [bylaws](#) thereto, rules and regulations and the prior and current years' operating budgets; as required by the [Illinois Condominium Property Act](#). If any right of first refusal or similar option is exercised, this contract shall be null and void and the earnest money returned to Purchaser and the Seller shall have no duty to pay any commission to any agent of Purchaser.

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ADDITIONAL PROVISIONS

1. Water, insurance, landscaping, scavenger and other similar common operating costs that might be a normal element of any assessment shall be prorated to the date of closing. Purchaser shall also pay at closing to the 6335 Magnolia Homes Association (the "Association") an amount equal to two (2) months' assessment as a reserve and as provided in the [By-Laws](#) for the Association attached as [Exhibit "D"](#) to the [Declaration](#). Seller shall also require an amount equal to two (2) months' assessment to be paid to the Association by all other purchasers of a Unit Ownership. In addition, Purchaser shall pay at Closing, Purchaser's prorata share of the assessment payable for the month during which Closing occurs, the Assessment for the month following the closing and Purchaser's prorata share of the first year prepaid condominium insurance.
2. The provisions of the [Uniform Vendor and Purchaser Risk Act of the State of Illinois](#) shall be applicable to this contract.
3. At least five days prior to closing date, Seller shall deliver to Purchaser or his agent evidence of merchantable title in the intended grantor by delivering Commitment For Title Insurance of a title insurance company bearing date on or subsequent to the date of the acceptance of this contract, in the amount of the purchase price subject to no other exceptions than those previously listed within this Agreement and to general exceptions contained in said commitment. Delay in delivery by Seller of Commitment for Title Insurance due to delay by Purchaser's mortgagee in recording mortgage and bringing down title shall not be a default of this contract. Every Commitment for Title Insurance furnished by Seller hereunder shall be conclusive evidence of title as therein shown. If evidence of title discloses other exceptions, Seller shall have forty-five days from Seller's receipt of evidence of title to cure such exceptions and notify Purchaser accordingly, and as to those exceptions which may be neutralized or removed at closing by payment of money or purchase of special title insurance coverage. Seller may have same neutralized or removed at closing by using the proceeds of sale in payment or purchase of special title insurance coverage.
4. All notices herein required shall be served via fax between the [attorneys](#) for the parties, as identified below. The mailing of a notice by registered or certified mail, return receipt requested, shall be sufficient service when the notice is mailed. Notices may also be served by personal delivery or commercial delivery service or by the use of a facsimile machine with proof of transmission and a copy of the notice with proof of transmission being sent by certified mail on the date of transmission. In addition, facsimile signatures shall be sufficient for purposes of executing, negotiating and finalizing this Contract. E-mail notices shall be deemed valid and received by the addressee thereof when delivered by e-mail and opened by the recipient provided that a copy of the e-mail notice, with [full header](#) included, is also sent by certified mail to the recipient on the same date as the email transmission.
5. In the event of [default by Purchaser](#), the earnest money, less the expenses and commission of the listing broker only, shall be paid to the Seller. If Seller defaults, the earnest money, at the option of Purchaser, shall be refunded to Purchaser and such refunding shall release Seller from the obligation of this Contract. In the event of any default, Escrowee shall give written notice to Seller and Purchaser indicating Escrowee's intended disposition of the earnest money and request the Seller and Purchaser's written consent to the Escrowee's intended disposition of the earnest money within ten (10) days after the date of Escrowee's mailing of the Notice. Seller and Purchaser hereby acknowledge that if Escrowee is a licensed real estate broker, Escrowee may not distribute the earnest money without the joint written direction of the Seller and Purchaser or their authorized agent. If Escrowee is not a licensed real estate broker, Seller and Purchaser hereby agree that if neither party object, in writing, to the proposed disposition of the earnest money within ten (10) days after the date of mailing of said notice that Escrowee shall proceed to disposition of the earnest money as previously indicated by the Escrowee. If either Seller or Buyer objects to the intended disposition within the aforementioned ten (10) day period, or in the event Escrowee is a licensed real estate broker and does not receive the joint written direction of the Seller and Purchaser authorizing the distribution of the earnest money, then the parties hereto agree that the Escrowee may elect to either take no further action or may deposit the earnest money with the [Clerk of the Circuit Court](#) by the filing of an action in the nature of an [Interpleader](#). The parties agree that Escrowee may be reimbursed from the earnest money for all costs, including reasonable attorney's fees, related to the filing of the [Interpleader](#) and do hereby agree to indemnify and hold Escrowee harmless from any and all claims and demands, including the payment of reasonable attorney's fees, costs and expenses arising out of any default claims and demands.
6. Seller represents that the following, if not a common element but being the heating, plumbing, electrical, central cooling, ventilating systems, appliances and fixtures within the Premises are in working order and will be so at the time of closing. Purchaser shall have the right to inspect the Premises during the 48-hour period immediately prior to closing to verify that such are in working order and that the property is in a substantially satisfactory condition of habitability. If Purchaser elects to forego the above described right to inspection, Purchaser will accept premises on an "as is" basis at closing. During the inspection a mutually agreed upon punch list made between the buyer and seller shall be completed within 30 days of the agreed punch list.
7. Seller warrants that no notice from any city, village, or other governmental authority of a dwelling code violation which currently exists in the aforesaid Premises has been issued and received by Seller or his agent. If a notice is received between date of acceptance of the Contract and the date of closing, Seller shall promptly notify Purchaser of such notice.
8. At the request of Seller or Purchaser, evidenced by notice in writing to the other party at any time prior to the date of delivery of deed hereunder, this sale shall be closed through an escrow with a title insurance company, in accordance with the general provisions of the usual form of deed, and Money Escrow Agreement then furnished and in use by said company, with such special provisions inserted in the escrow agreement as may be required to conform with this contract. Upon the creation of such an escrow, anything herein to the contrary notwithstanding, payment of purchase price and delivery of deed shall be made through the escrow and the contract and the earnest money shall be deposited in the escrow and the Broker shall be made a party to the escrow with regard to commission due. The cost of the escrow shall be paid by the requesting party.
9. Seller agrees to furnish to Purchaser an affidavit of title subject only to those items set forth herein and an [ALTA](#) form only if required by Purchaser mortgagee or the Title Insurance Company for extended coverage.
10. Right is reserved by either party to insert correct legal description at any time, without notice, when same is available.
11. Seller shall have the right to pay off any existing mortgage(s) out of the proceeds of this sale.
12. Purchaser may place a mortgage on this property and apply proceeds of such mortgage to the purchase price. In the event this transaction does not close Purchaser agrees to cause immediate release of same.
13. Purchaser and Seller hereby agree to make all disclosures and do all things necessary to comply with the applicable provisions of the [Real Estate Settlement Procedures Act of 1974](#), as amended.
14. Seller shall remove from individual Premises, by date of possession, all debris and Seller's personal property not conveyed by Bill of Sale to Purchaser, condition of unit will be in broom swept condition.
15. Time is of the essence of this contract.
16. In the event the property is in a flood plain and flood insurance is required by Purchaser's lender, Purchaser shall pay for same.
17. The parties further agree that the first year's hazard and liability insurance will be procured by Seller, and Buyer shall pay its proportionate share of the premium prorated from closing to the policy anniversary date. All prorations at closing except as set forth above shall be final. For the purpose of completing the construction and sales promotion of the Units in the Condominium, Seller and its agents are hereby given full right and authority to place and maintain on, in and about the Condominium (excluding the Unit after closing) model units, sales and leasing offices, administrative offices, signs and lighting related to construction and sales promotion purposes, for such period of time, at such locations and in such forms as shall be determined by Seller in its sole and absolute discretion. Seller, its employees, agents, contractors and prospective Buyers are also hereby given, for construction and sales promotion purposes, the right of entry upon, ingress to, egress from and other use of the Condominium (excluding the Unit after closing), and the right to restrict and regulate access to the common areas, as defined in the Declaration, (the "Common Area"), subject to Buyer's reasonable access to and from the Unit after closing, for the purposes of completing construction of the Common Areas and other Units in the Condominium.
18. In consideration for Seller's payment of common operating expenses for this and all other Units from and after closing until the commencement of collection of regular monthly assessments, Buyer agrees to deposit with the Unit Owner or the Unit Owner's Association, at closing, an amount equal to two months assessments based upon Seller's initial estimated budget. Such deposits shall be required from each Buyer; the aggregate of said deposits shall be used to create a reserve fund for capital improvements for the benefit of the Association. Buyer acknowledges that Seller's payment of common operating expenses for this and all other Units will not include reserve contributions, which are being funded by the deposits described herein. Until such time as the Unit Owners elect their first Board of Directors of the Association, as provided in the Declaration, Seller shall have the sole right to enter into or cause the Association to enter into contracts or leases for such period of time and upon such reasonable terms as it shall deem advisable, subject to the limitations imposed by the Declaration and Act, to provide the Condominium and Unit Owners with all necessary or convenient services, possibly including but not limited to, management, landscaping, custodial, insurance, snow removal, cable TV and scavenger service. If Seller pays for any such services or advances any funds to the Association for such purposes, Seller shall be entitled to reimbursement for such amounts from the Association.

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THIS IS A LEGALLY BINDING CONTRACT UPON SIGNING

Purchaser's Signature

Purchaser's Signature

Purchaser (Print Name)

Purchaser (Print Name)

Purchaser's full address:

Purchaser's full address

Purchaser's Social Security Number

Purchaser's Social Security Number

Purchaser's email address

Purchaser's email address

Acceptance by Seller:

This _____ day of _____, 2011, 6335 Magnolia Homes LLC accepts this contract and agrees to perform and convey title or cause title to be conveyed according to the terms of this contract.

6335 Magnolia Homes LLC, Seller

FOR INFORMATIONAL PURPOSES ONLY:

Seller :

6335 Magnolia Homes LLC
1580 N. Northwest Hwy Ste 216
Park Ridge IL 60068

Listing Broker:

Herlo Realty Inc.
1580 N. Northwest Hwy Ste 216
Park Ridge IL 60068

Selling

Agent: _____

Selling Agent ID: _____

Seller's Attorney:

Marty Deroin
122 South Michigan Ave - Suite 1800
Chicago, Illinois 60603
312.362.0708 office
312.427.6513 fax

773.913.2014 office/fax
www.herlorealty.com
herlorealty@juno.com

Selling Agent

Signature: _____

Buyer's Broker or Designated Agent:

Brokerage Company Name & Office ID

Buyer's Attorney:

Buyer's Attorney's Name

Designated Agent's Name & Agent ID

Address

Address

Telephone & Fax Numbers

Telephone & Fax Numbers

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RIDER TO REAL ESTATE AGREEMENT

By And Between

6335 Magnolia Homes, LLC (hereinafter referred to as "Seller") and

_____ (Hereinafter referred to as "Purchaser")

Covering the property known as Unit # _____, at 6335 – 6337 N. Magnolia Ave, Chicago, Illinois 60660
(hereinafter referred to as "Unit")

1. Conflict. In the event of any conflict between the terms of this Rider and the terms of the Contract, the terms of this Rider shall prevail.

2. Interest on Earnest Money. At closing, the Purchaser will receive a credit for the interest earned on the earnest money only if earnest money exceeds \$10,000.00, otherwise all funds are held in a non-interest bearing account. (Social Security Number of Buyer: ___ ___ - ___ ___ - ___ ___ ___)

3. Prorations and Assessments. On the closing date, in addition to the balance of the Purchase price, the Purchaser shall deposit it's prorate share of the assessment payable for the month during which the closing occurs. The Purchaser shall also pay at closing an amount equal to two months assessments applicable to the Unit to be used and applied for start-up costs and as the deposit for the reserve as provided in the Condominium Documents. Prepaid insurance premiums, if any, shall also be prorated at closing.

4. Recording. Prior to closing, the Seller shall cause the Declaration of Condominium to be recorded in the office of the Recorder of Deeds of Cook County, Illinois in accordance with the Condominium Property Act. Prior to the Purchaser's execution of this agreement, a copy of the proposed Declaration was delivered to purchaser together with the preliminary plat of survey, the proposed first year's budget for the Association, a floor plan and the Property Report required by the Chicago Municipal Code. The Declaration, the Plat, the Budget, Floor Plan and Property Report are herein collectively called the "Condominium Documents." The Seller reserves the right at any time and from time to time to modify the Condominium documents in compliance with the provisions of the Illinois Condominium Property Act and the Chicago Municipal Code

5. Warranty Disclaimer. At closing Seller shall deliver to Purchaser all manufacture's warranties, if any, covering consumer products to be conveyed to Purchaser hereunder; provided, however that SELLER SHALL NOT BE DEEMED TO WARRANTY ANY SUCH CONSUMER PRODUCTS IN ANY WAY, EITHER EXPRESS OR IMPLIED, OR TO ADOPT ANY SUCH MANUFACTURER'S WARRANTY.

EXCEPT AS EXPRESSLY SET FORTH IN THIS PARAGRAPH 5 OF THE RIDER WITH REGARD TO BOTH THE COMMON ELEMENTS AND THE UNIT, SELLER HEREBY EXCLUDES AND DISCLAIMS ANY AND ALL OTHER WARRANTIES, WHETHER EXPRESSED OF IMPLIED, INCLUDING BY WAY OF ILLUSTRATIONS AND NOT LIMITATION, WARRANTIES OF FITNESS FOR PARTICULAR PURPOSE, HABITABILITY AND MERCHANTABILITY.

6. Seller Reserved Rights. The Seller has the sole control and exclusive possession of the Common Elements for the purpose of completing the sales promotion for the Units and the Seller, its agents and representatives are hereby given full right and authority to place and maintain on, in or about the Property, model apartments, sale offices, signs and lighting related to said sales promotions purposes, for such period of time, at such locations and such forms as shall be determined by Seller in its sole and absolute discretion.

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7. Building Operations. Until such times as the Owner of Units in the 6335 Magnolia Homes Association elect their first board of directors of the Association, as provided in the Condominium Documents, the Seller shall have the right to enter into or cause the Association to enter into contracts or leases for such periods of time, upon such reasonable terms and to such an extent as it shall deem advisable.

8. Unsold Units. Seller may enter into leases for unsold Units in the 6335 Magnolia Homes, LLC Condominiums upon such terms and conditions as Seller may elect and Seller shall pay the monthly assessments on all Units owned by Seller until such Units are sold

9. Pro-ration of Real Estate Taxes.

- (a) Seller shall pay prior to their due date all general real estate taxes for the Property for the years in which the Property is taxed as a whole prior to the calendar year in which the closing occurs.
- (b) Taxes for the year in which the closing occurs ("Closing Year") shall be paid and pro-rated as follows: Seller shall receive from Purchaser at closing a pro-rated amount based on one and one half percent (1 1/2%) of the purchase price as a tentative pro-ration credit for Purchaser's share of the real estate taxes, to be re-prorated upon receipt of the actual tax bill for the Closing Year.

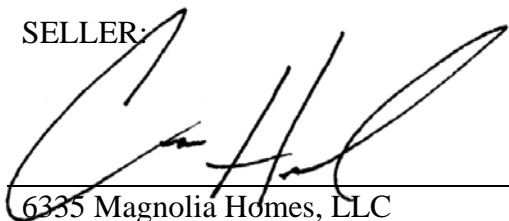
Purchaser shall within ten (10) days after Seller's demand therefore, pay seller any deficiency, if the actual amount of taxes attributable to Purchaser is greater than the tentative pro-ration closing credit; Seller shall, within thirty (30) days after receipt of the final tax bill, rebate to Purchaser the excess pro-ration credit. All real estate tax at closing will be pro-rated and credited to Seller. With respect to taxes for the Closing Year will be deposited by Seller in a segregated account to be used for the payment of such real estate taxes. Purchaser shall not be entitled to interest on any amounts so deposited.

- (c) Purchaser agrees to cooperate fully with Seller in executing any documents necessary to ensure that the Purchaser's Unit is taxed as a separate unit in the year following the Closing Year.

10. Inspection of the Unit Once Complete. The buyer shall have the right to have an inspection of the unit within (10) ten days of closing on a mutually agreed date and time. During inspection a mutually agreed upon punch list shall be made between buyer and seller. Upon receipt of punch list, the seller shall have 60 days to complete the items on the mutually agreed upon punch list.

The parties have executed this Agreement on the ____ day of _____, 2011

SELLER:



6335 Magnolia Homes, LLC
Managing Member

PURCHASER:

PLEASE PRINT NAME:



**CHICAGO ASSOCIATION OF REALTORS®
DISCLOSURE OF INFORMATION AND ACKNOWLEDGEMENT
LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS**



Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure (initial) (All Sellers should initial)

- CH (a) Presence of lead-based paint and/or lead-based paint hazards (check one below):
 Known lead-based paint and/or lead-based paint hazards are present in the housing (explain):

- CH Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
- _____ (b) Records and Reports available to the seller (check one below):
 Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based hazards in the housing (list documents below):

- Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgement (initial) (All Purchasers should initial)

- _____ (c) Purchaser has received copies of all information listed above.

- _____ (d) Purchaser has received the pamphlet *Protect Your Family From Lead in Your Home*.

- _____ (e) Purchaser has (check one below):

 Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection of the presence of lead-based paint or lead-based paint hazards; or
 Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgement (initial) (Seller's Designated Agent)

- JA (f) Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852 d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

Seller [Signature] Date 07/01/2011 Seller _____ Date _____
 Purchaser _____ Date _____ Purchaser _____ Date _____
 Agent [Signature] Date 07/01/2011 Agent _____ Date _____
 Location of Property 6335-6337 N. MAGNOLIA AVE City CHICAGO State IL Zip Code 60660

**Keep a fully executed copy of this document for three (3) years from the date hereof.
This Disclosure Form should be attached to the Real Estate Sale Contract.**

Phone:

Fax:

Produced with ZipForm™ by RE FormsNet, LLC 18025 Fifteen Mile Road, Clinton Township, Michigan 48035, (800) 383-9805 www.zipform.com



Illinois Association of REALTORS®

RESIDENTIAL REAL PROPERTY DISCLOSURE REPORT



NOTICE: THE PURPOSE OF THIS REPORT IS TO PROVIDE PROSPECTIVE BUYERS WITH INFORMATION ABOUT MATERIAL DEFECTS IN THE RESIDENTIAL REAL PROPERTY. THIS REPORT DOES NOT LIMIT THE PARTIES RIGHT TO CONTRACT FOR THE SALE OF RESIDENTIAL REAL PROPERTY IN "AS IS" CONDITION. UNDER COMMON LAW SELLERS WHO DISCLOSE MATERIAL DEFECTS MAY BE UNDER A CONTINUING OBLIGATION TO ADVISE THE PROSPECTIVE BUYERS ABOUT THE CONDITION OF THE RESIDENTIAL REAL PROPERTY EVEN AFTER THE REPORT IS DELIVERED TO THE PROSPECTIVE BUYER. COMPLETION OF THIS REPORT BY SELLER CREATES LEGAL OBLIGATIONS ON SELLER THEREFORE SELLER MAY WISH TO CONSULT AN ATTORNEY PRIOR TO COMPLETION OF THIS REPORT.

Property Address: 6335-6337 N. Magnolia Ave
 City, State & Zip Code: Chicago IL 60660
 Seller's Name: 6335 Magnolia Homes LLC

This report is a disclosure of certain conditions of the residential real property listed above in compliance with the Residential Real Property Disclosure Act. This information is provided as of July 1, 2011, and does not reflect any changes made or occurring after that date or information that becomes known to the seller after that date. The disclosures herein shall not be deemed warranties of any kind by the seller or any person representing any party in this transaction.

In this form, "am aware" means to have actual notice or actual knowledge without any specific investigation or inquiry. In this form a "material defect" means a condition that would have a substantial adverse effect on the value of the residential real property or that would significantly impair the health or safety of future occupants of the residential real property unless the seller reasonably believes that the condition has been corrected.

The seller discloses the following information with the knowledge that even though the statements herein are not deemed to be warranties, prospective buyers may choose to rely on this information in deciding whether or not and on what terms to purchase the residential real property.

The seller represents that to the best of his or her actual knowledge, the following statements have been accurately noted as "yes" (correct), "no" (incorrect) or "not applicable" to the property being sold. If the seller indicates that the response to any statement, except number 1, is yes or not applicable, the seller shall provide an explanation, in the additional information area of this form.

- | YES | NO | N/A | |
|------------------------------|-------------------------------------|--------------------------|--|
| 1. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Seller has occupied the property within the last 12 months. (No explanation is needed.) |
| 2. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of flooding or recurring leakage problems in the crawlspace or basement. |
| 3. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware that the property is located in a flood plain or that I currently have flood hazard insurance on the property. |
| 4. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of material defects in the basement or foundation (including cracks and bulges). |
| 5. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of leaks or material defects in the roof, ceilings or chimney. |
| 6. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of material defects in the walls or floors. |
| 7. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of material defects in the electrical system. |
| 8. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of material defects in the plumbing system (includes such things as water heater, sump pump, water treatment system, sprinkler system, and swimming pool). |
| 9. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of material defects in the well or well equipment. |
| 10. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of unsafe conditions in the drinking water. |
| 11. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of material defects in the heating, air conditioning, or ventilating systems. |
| 12. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of material defects in the fireplace or woodburning stove. |
| 13. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of material defects in the septic, sanitary sewer, or other disposal system. |
| 14. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of unsafe concentrations of radon on the premises. |
| 15. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of unsafe concentrations of or unsafe conditions relating to asbestos on the premises. |
| 16. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of unsafe concentrations of or unsafe conditions relating to lead paint, lead water pipes, lead plumbing pipes or lead in the soil on the premises. |
| 17. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of mine subsidence, underground pits, settlement, sliding, upheaval, or other earth stability defects on the premises. |
| 18. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of current infestations of termites or other wood boring insects. |
| 19. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of a structural defect caused by previous infestations of termites or other wood boring insects. |
| 20. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of underground fuel storage tanks on the property. |
| 21. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware of boundary or lot line disputes. |
| 22. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I have received notice of violation of local, state or federal laws or regulations relating to this property, which violation has not been corrected. |
| 23. <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> | I am aware that this property has been used for the manufacture of methamphetamine as defined in Section 10 of the Methamphetamine Control and Community Protection Act. |

Note: These disclosures are not intended to cover the common elements of a condominium, but only the actual residential real property including limited common elements allocated to the exclusive use thereof that form an integral part of the condominium unit.

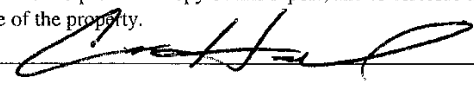
Note: These disclosures are intended to reflect the current condition of the premises and do not include previous problems, if any, that the seller reasonably believes have been corrected.

If any of the above are marked "not applicable" or "yes", please explain here or use additional pages, if necessary:

N/A

Check here if additional pages used:

Seller certifies that seller has prepared this statement and certifies that the information provided is based on the actual notice or actual knowledge of the seller without any specific investigation or inquiry on the part of the seller. The seller hereby authorizes any person representing any principal in this transaction to provide a copy of this report, and to disclose any information in the report, to any person in connection with any actual or anticipated sale of the property.

Seller:  Date: 7-1-11
Seller: _____ Date: _____

PROSPECTIVE BUYER IS AWARE THAT THE PARTIES MAY CHOOSE TO NEGOTIATE AN AGREEMENT FOR THE SALE OF THE PROPERTY SUBJECT TO ANY OR ALL MATERIAL DEFECTS DISCLOSED IN THIS REPORT ("AS IS"). THIS DISCLOSURE IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THAT THE PROSPECTIVE BUYER OR SELLER MAY WISH TO OBTAIN OR NEGOTIATE. THE FACT THAT THE SELLER IS NOT AWARE OF A PARTICULAR CONDITION OR PROBLEM IS NO GUARANTEE THAT IT DOES NOT EXIST. PROSPECTIVE BUYER IS AWARE THAT HE MAY REQUEST AN INSPECTION OF THE PREMISES PERFORMED BY A QUALIFIED PROFESSIONAL.

Prospective Buyer: _____ Date: _____ Time: _____
Prospective Buyer: _____ Date: _____ Time: _____

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MOLD DISCLOSURE
(Buyer and Seller)



Printed Name(s) of Seller(s): 6335 MAGNOLIA HOMES LLC

Printed Name(s) of Buyer(s):

Property Address: 6335-6337 N. MAGNOLIA AVE, CHICAGO IL 60660

- 1. Seller's Disclosure: To the best of Seller's actual knowledge, Seller represents:
A. The Property described above has [checked] has not been previously tested for molds:
B. The molds found were were not identified as toxic molds;
C. With regard to any molds that were found, measures were were not taken to remove those molds.

2. Mold Inspection: Molds, fungus, mildew, and similar organisms ("Mold Conditions") may exist in the Property of which the Seller is unaware and has not actual knowledge. The Mold Conditions generally grow in places where there is excessive moisture, such as where leakage may have occurred in roofs, pipes, walls, plant pots, or where there has been flooding. A professional home inspection may not disclose Mold Conditions. As a result, Buyer may wish to obtain an inspection specifically for Mold Conditions to more fully determine the condition of the Property and this environmental status. Neither Seller's nor Buyer's agents are experts in the field of Mold Conditions and other related conditions and Buyer and Seller shall not rely on Broker or it's agents for information relating to such conditions. Buyer is strongly encouraged to satisfy itself as to the condition of the property.

3. Hold Harmless: Buyer's decision to purchase the Property is independent of representation of the Broker or Broker's agents involved in the transaction regarding Mold Conditions. Accordingly, Buyer agrees to indemnify and hold HERLO REALTY INC (TONI HERLO AND RAMONA DAMIAN) (print name of Broker(s) and Designated Agent(s)) harmless in the event any Mold Conditions are present on the Property.

4. Receipt of Copy: Seller and Buyer have read and acknowledge receipt of a copy of this Mold Disclosure.

Professional Advice: Seller and Buyer acknowledge that they have been advised to consult with a professional of their choice regarding any questions or concerns relating to Mold Conditions or this Mold Disclosure.

Buyer Date Seller Date (with signature and date 7-1-11)

Buyer Date Seller Date

REV 01/03



DISCLOSURE OF INFORMATION ON RADON HAZARDS
(For Residential Real Property Sales or Purchases)

Radon Warning Statement

Every buyer of any interest in residential real property is notified that the property may present exposure to dangerous levels of indoor radon gas that may place the occupants at risk of developing radon-induced lung cancer.

The Illinois Emergency Management Agency (IEMA) strongly recommends ALL homebuyers have an indoor radon test performed prior to purchase or taking occupancy, and mitigated if elevated levels are found.

Seller's Disclosure (initial each of the following which applies)

(a) Elevated radon concentrations (above EPA or IEMA recommended Radon Action Level) are known to be present within the dwelling. (Explain)

(b) Seller has provided the purchaser with all available records and reports pertaining to elevated radon concentrations within the dwelling.

(c) Seller either has no knowledge of elevated radon concentrations in the dwelling or prior elevated radon concentrations have been mitigated or remediated.

CA (d) Seller has no records or reports pertaining to elevated radon concentrations within the dwelling.

Purchaser's Acknowledgment (initial each of the following which applies)

(e) Purchaser has received copies of all information listed above.

(f) Purchaser has received the IEMA approved Radon Disclosure Pamphlet.

Agent's Acknowledgement (initial IF APPLICABLE)

A (g) Agent has informed the seller of the seller's obligations under Illinois law.

Certification of Accuracy

The following parties have reviewed the information above and each party certifies, to the best of his or her knowledge, that the information he or she has provided is true and accurate.

Seller [Signature] Date 7-1-11

Seller _____ Date _____

Purchaser _____ Date _____

Purchaser _____ Date _____

Agent [Signature] Date 7-1-11

Agent _____ Date _____

Property Address 6335-6337N Magnolia Ave City, State, Zip Code Chicago IL 60660

ELECTRONIC SIGNATURE RIDER

THE PURPOSE OF THIS RIDER SHALL BE TO PERMIT THE USE OF A FACSIMILE MACHINE (FAX) OR E-MAIL IN THE NEGOTIATING OF THE CONTRACT FOR THE REAL ESTATE KNOWN AS

6335-6337 N. MAGNOLIA AVE Unit # _____, CHICAGO IL 60660.

TO WHICH THIS RIDER HAS BEEN ATTACHED AND MADE PART THEREOF. THE PARTIES AGREE TO SUCH USE IN THE INTEREST OF EXPEDIENCY.

1. For the purposes of negotiating and finalizing this contract, any SIGNED document (including this RIDER) transmitted by FAX machine or E-MAIL shall be treated in all manner and respects as an ORIGINAL document, as long as it conforms to the original document.
2. The signature of any party shall be considered for these purposes as an ORIGINAL document.
3. Any such FAX or E-MAIL document shall be considered to have the SAME BINDING legal effect as an ORIGINAL document, as long as it conforms to this original document.
4. At the request of either party, any FAX or E-MAIL document subject to this RIDER shall be re-executed by both parties in an ORIGINAL form.
5. In consideration for promises made and value received hereunder, the undersigned parties hereby agree that neither shall raise the use of a FAX machine or E-MAIL as a defense to this contract and forever waive such defense.

BY SIGNING BELOW YOU AGREE AND ACCEPT ALL TERMS AS LISTED ABOVE:

BUYER _____ BUYER _____ DATE _____

SELLER  SELLER _____ DATE 7-1-11