



**MEMORANDUM
OF
REAL ESTATE
SALE CONTRACT**

The undersigned hereby certifies he is the purchaser of that certain real estate in Cook County, Illinois pursuant to the attached Real Estate Sale Contract dated October 1, 1999, a true and correct copy of which is attached hereto, as follows:

1. Common Address 2021 West Arthur
Chicago, Illinois

2. Legal Description

LOT 166 IN ARTHUR AVENUE SUBDIVISION BEGINNING 6 CHAINS NORTH OF THE SOUTHWEST CORNER OF SECTION 31, THENCE NORTH 6.5 CHAINS THENCE EAST 40 CHAINS, THENCE SOUTH 6.5 CHAINS, THENCE WEST 40 CHAINS TO POINT OF BEGINNING AS RECORDED ON THE PLAT OF SUBDIVISION RECORDED 01/04/1922 AS DOCUMENT NO. 07366967, IN THE SUBDIVISION SOUTHWEST 1/4 IN SECTION 31, TOWNSHIP 41 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN IN COOK COUNTY, ILLINOIS.

3. Permanent Index Number

11-31-319-001

Date: October 5, 1999

Ibrahim M. Shihadeh
Ibrahim M. Shihadeh, by his
attorney-in-fact
J. Joseph Little

State of Illinois)
)§§
County of Cook)

Subscribed and sworn to this
5th day of October 1999.

Lucille Ann Little
Notary Public



Prepared by and mail to:

J. Joseph Little, Esq.
One East Wacker Drive #2222
Chicago, Illinois 60601



UNOFFICIAL COPY

Real Estate Sale Contract

99941439

THIS DOCUMENT IS MORE THAN A RECEIPT FOR MONEY. IT IS INTENDED TO BE A LEGALLY BINDING AGREEMENT. READ IT CAREFULLY.

THIS AGREEMENT is made and entered into as of the 1st day of October, 1999, by and between Owner of Record ("Seller") and Ibrahim Shihadeh ("Buyer") for the purchase of that certain land and improvements thereon (collectively referred to as the "Property") located in Chicago County of Cook, State of Illinois, and more particularly described as follows:

a 17-unit apartment property located at
2021 W. Arthur, Chicago
PIN#: 11-31-319-001

TERMS AND CONDITIONS

Seller agrees to sell the Property, and Buyer agrees to purchase the Property, on the following terms and conditions.

- 1) **PURCHASE PRICE:** The purchase price for the Property is seven hundred thirty thousand dollars (\$ 730,000) which shall be paid by certified or cashier's check at closing pursuant to the terms stated herein.
- 2) **DEPOSIT:** Upon execution of this Agreement, Buyer shall deposit with Marcus & Millichap of Chicago ("Agent") the sum of twenty thousand dollars (\$ 20,000) in the form of check . This sum is a deposit ("Deposit") to be credited to the purchase price of the Property at closing and shall be held by Agent for the benefit of the parties in a federally insured interest-bearing account at a banking institution designated by Agent under Buyer's Federal taxpayer identification number (or Social Security Number). All interest earned with respect to the Deposit shall be held with and become a part of the Deposit.
- 3) **CLOSING:** Closing shall take place at the office of Chicago Title ("Closing Agent") located at 171 N. Clark, Chicago or such other location as the parties shall mutually agree. Seller and Buyer agree to prepare and execute such instructions as may be necessary and appropriate to close the transaction. Should the instructions fail to be executed as required, Closing Agent shall and hereby is directed to close escrow pursuant to the terms and conditions of this Agreement. "Closing Date" shall mean the date on which the deed transferring title is recorded, which shall occur on or before November 30, 1999 . Closing fees shall be paid by 1/2 Buyer, 1/2 Seller . All other closing costs shall be paid in accordance with the custom in the county in which the Property is located. At closing, both Buyer and Seller shall deliver or cause to be delivered to the other the following: 1) Real Estate Transfer Declaration; and 2) such other documents, instruments and amounts as may be reasonably required to carry out the terms and intent of this Agreement.
- 4) **PRORATIONS:** Rents, premiums on insurance acceptable to Buyer, interest on any debt being assumed or taken subject to by Buyer, and any other expenses of the Property shall be prorated as of the Closing Date. Security deposits, advance rentals, and the amount of any future lease credits shall be credited to Buyer. Real estate taxes for the year 1999 shall be prorated on the basis of 110 % of the most recent ascertainable taxes [] such prorations to be final, [] such taxes to be reprorated upon receipt of the actual bill. The amount of any bond or assessment which is a lien and not customarily paid with real property taxes shall be [] paid / [] assumed by Seller .
- 5) **TITLE:** Within thirty (30) days after the Effective Date of this Agreement, Seller shall procure and cause to be delivered to Buyer a preliminary title commitment for an owner's title insurance policy issued by a title insurance company licensed to do business in the State of Illinois (Title Company) in the amount of the purchase price covering title to the Property. Within five (5) days following the receipt thereof, Buyer shall either approve in writing the exceptions contained in said title report or specify in writing any exceptions to which Buyer reasonably objects. If Buyer objects to any exceptions, Seller shall, within five (5) days after receipt of Buyer's objections, deliver to buyer written notice that either (i) Seller will, at Seller's expense, attempt to remove the exception(s) to which Buyer has objected before the Closing Date or (ii) Seller is unwilling or unable to remove any such exception by the Closing Date, in which event Buyer may elect to terminate this Agreement and receive back the entire Deposit, and Buyer and Seller shall have no further obligations under this Agreement; or alternatively, Buyer may elect to purchase the Property subject to such exception(s).

Seller shall convey by [] Warranty Deed [] Land Trust Deed to Buyer (or to such person or entity as Buyer may specify) marketable fee title subject only to the exceptions approved by Buyer in accordance with this Agreement. Title shall be insured by a standard owner's policy of title insurance issued by Title Company in the amount of the purchase price with premium paid by Seller.

- 6) **PERSONAL PROPERTY:** Title to any personal property to be conveyed to Buyer in connection with the sale of the Property shall be conveyed to Buyer by Bill of Sale at the Closing Date free and clear of all encumbrances (except those approved by Buyer as provided above). The price of these items shall be included in the purchase price for the Property, and Buyer agrees to accept all such personal property in "as is" condition.
- 7) **CONDITION OF PROPERTY:** It is understood and agreed that the Property is being sold "as is"; that Buyer has, or will have prior to the Closing Date, inspected the Property; and that neither Seller nor Agent makes any representation or warranty as to the physical condition or value of the Property or its suitability for Buyer's intended use.
- BUYER'S INITIALS LS
- 8) **SURVEY:** Five (5) days prior to the Closing Date, Seller shall furnish at Seller's expense, a current survey, acceptable to Buyer's lender, by a licensed land surveyor, showing the present location of all improvements and encroachments, if any.
- 9) **RISK OF LOSS:** Risk of loss to the Property shall be borne by Seller until title has been conveyed to Buyer. In the event that the improvements on the Property are destroyed or materially damaged between the Effective Date of this Agreement and the date title is conveyed to Buyer, Buyer shall have the option of demanding and receiving back the entire Deposit and being released from all obligations hereunder, or alternatively, taking such improvements as Seller can deliver. Upon Buyer's physical inspection and approval of the Property, Seller shall maintain the Property through closing, in the same condition and repair as approved, reasonable wear and tear excepted.
- 10) **POSSESSION:** Possession of the Property shall be delivered to Buyer on the Closing Date.
- 11) **LIQUIDATED DAMAGES/NON-REFUNDABLE DEPOSIT:** Upon the removal of Buyer's contingencies, the Deposit shall become non-refundable in the event of a default by Buyer. Buyer and Seller agree that it would be impracticable or extremely difficult to fix actual damages in the event of a default by Buyer, that the amount of Buyer's Deposit hereunder (as same may be increased by the terms hereof) is the parties' reasonable estimate of Seller's damages in the event of Buyer's default, and that upon Buyer's default in its purchase obligations under this Agreement not caused by any breach by Seller, Seller shall be released from its obligation to sell the Property and shall retain Buyer's Deposit (as same may be increased by the terms hereof) as liquidated damages, which shall be Seller's sole and exclusive remedy in law or at equity for Buyer's default.
- 12) **AUTHORIZATION:** Buyer and Seller authorize Agent to disseminate sales information regarding this transaction, including the purchase price of the Property.
- 13) **DUAL AGENCY:** Seller and Buyer understand that Agent represents both Seller and Buyer in the sale of the Property, and acknowledge that they have authorized and consented to such dual representation.
- 14) **OTHER BROKERS:** Buyer and Seller agree that, in the event any broker other than Agent or a broker affiliated with Agent is involved in the disposition of the Property, Agent shall have no liability to Buyer or Seller for the acts or omissions of such other broker, who shall not be deemed to be a subagent of Agent.
- 15) **COMPLIANCE WITH LAWS:** The provisions of the Uniform Vendor and Purchaser Risk act of the State of Illinois shall be applicable to this Agreement. Seller shall comply with the Illinois Responsible Property Transfer Act (RPTA) and other applicable local or state provisions concerning environmental information. Buyer and Seller agree to make all disclosures and comply with applicable provisions of local or state law, including the Real Estate Settlement Procedures Act of 1974, as amended, and any local ordinances with respect to transfer taxes.

16) **BROKER DISCLAIMER:** Buyer and Seller acknowledge that, except as otherwise stated herein, Agent has not made any investigation, determination, warranty or representation with respect to any of the following: a) the legality of the present or any possible future use of the Property under any federal, state or local law; b) pending or possible future action by any governmental entity or agency which may affect the Property; c) the physical condition of the Property, including but not limited to soil conditions, the structural integrity of the improvements, and the presence or absence of fungi or wood destroying organisms; d) the accuracy or completeness of income and expense information and projections, of square footage figures, and of the texts of leases, options and other agreements affecting the Property; e) the possibility that leases, options, or other documents exist which affect or encumber the Property and which have not been provided or disclosed by Seller; or f) the presence or location of any hazardous materials on or about the Property, including but not limited to, asbestos, PCB's, other toxic, hazardous or contaminated substances, and underground storage tanks; and g) the accuracy of any information contained in a tenant's or lessee's estoppel certificate. Buyer agrees that investigation and analysis of the foregoing matters is Buyer's sole responsibility and that Buyer shall not hold Agent responsible therefor.

BUYER'S INITIALS

 J.S.

- 17) **ARBITRATION:** If a controversy arises with respect to the subject matter of this Agreement or the transaction contemplated herein, (including but not limited to the parties' rights to the Deposit or the payment of commissions as provided for herein), Buyer, seller and Agent agree that such controversy shall be settled by final, binding arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association, and judgment upon the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.
- 18) **SUCCESSORS & ASSIGNS:** This agreement and any addenda hereto shall be binding upon and inure to the benefit of the heirs, successors, agents, representatives and assigns of the parties hereto.
- 19) **ATTORNEYS' FEES:** In any litigation, arbitration or other legal proceeding which may arise between any of the parties hereto, including Agent, the prevailing party shall be entitled to recover its costs, including costs of arbitration, and reasonable attorneys' fees in addition to any other relief to which such party may be entitled.
- 20) **TIME:** Time is of the essence of this Agreement.
- 21) **NOTICES:** All notices required or permitted hereunder shall be given to the parties in writing (with a copy to Agent) at their respective addresses as set forth below. Should the date upon which any act required to be performed by this Agreement fall on a Saturday, Sunday or holiday, the time for performance shall be extended to the next business day.
- 22) **FOREIGN INVESTOR DISCLOSURE:** Seller and Buyer agree to execute and deliver any instrument, affidavit or statement, and to perform any act reasonably necessary to carry out the provisions of the Foreign Investment in Real Property Tax Act and regulations promulgated thereunder.
- 23) **ADDENDA:** Any addendum attached hereto and either signed or initialed by the parties shall be deemed a part hereof. This Agreement, including addenda, if any, expresses the entire agreement of the parties and supersedes any and all previous agreements between the parties with regard to the Property. There are no other understandings, oral written, which in any way alter or enlarge its terms, and there are no warranties or representations of any nature whatsoever, either express or implied, except as set forth herein. Any future modification of this Agreement will be effective only if it is in writing and signed by the party to be charged.
- 24) **ACCEPTANCE AND EFFECTIVE DATE:** Buyer's signature hereon constitutes an offer to Seller to purchase the Property on the terms and conditions set forth herein. Unless acceptance hereof is made by Seller's execution of this Agreement and delivery of a fully executed copy to Buyer, either in person or by mail at the address shown below, on or before October 1, 1999, this offer shall be null and void, the Deposit shall be returned to Buyer, and neither Seller nor Buyer shall have any further rights or obligations hereunder. Delivery shall be effective upon personal delivery to Buyer or Buyer's agent or, if by mail, on the next business day following the date of postmark. The "Effective Date" of this Agreement shall be the later of (a) the date on which Seller executes this Agreement, or (b) the date of written acceptance (by either Buyer or Seller) of the final counter-offer submitted by the other party.
- 25) **GOVERNING LAW:** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.
- 26) **NON-DISCRIMINATION:** Buyer and Seller acknowledge that it is illegal for either Seller, Buyer or Agent to refuse to lease or sell to any person on the basis of race, color, religion, national origin, sex, marital status or physical disability.
- 27) **OTHER TERMS AND CONDITIONS:** Buyer and Seller will have seven (7) days from Effective Date for the conclusion of attorney review of this Agreement, or this contract shall be null and void and Buyer's earnest money returned.

UNOFFICIAL COPY

THE PARTIES ARE ADVISED TO CONSULT THEIR RESPECTIVE ATTORNEYS WITH REGARD TO THE LEGAL EFFECT AND VALIDITY OF THIS PURCHASE AGREEMENT. The undersigned Buyer hereby offers and agrees to purchase the above described Property for the price and upon the terms and conditions herein stated. This offer is made by Buyer to Seller on this 1st day of October, 19 99. Buyer hereby acknowledges receipt of an executed copy of this Agreement.

BUYER: *J. A. Mikolaj* ADDRESS: _____

BUYER: _____ TELEPHONE: _____

SELLER'S ACCEPTANCE AND AGREEMENT TO PAY COMMISSION

The undersigned Seller accepts the foregoing offer and agrees to sell the Property to Buyer for the price and on the terms and conditions stated herein. Seller acknowledges receipt of an executed copy of this agreement and authorizes Agent to deliver an executed copy to Buyer. Seller acknowledges and agrees that payment of said commission is not contingent upon the closing of the transaction contemplated by this Agreement, and that, in the event completion of the sale is prevented by default of Seller, then Seller shall be obligated to pay Agent the entire commission. Seller agrees that in the event completion of the sale is prevented by default of Buyer, then Seller shall be obligated to pay Agent an amount equal to one half of any damages or other monetary compensation (including liquidated damages) collected from Buyer by suit or otherwise as a consequence of Buyer's default, if and when such damages or other monetary compensation are collected; provided, however, that the total amount paid to Agent by Seller shall not in any case exceed the brokerage commission hereinabove set forth. Seller acknowledges and agrees that the existence of any direct claim which Agent may have against Buyer in the event of Buyer's default shall not alter or in any way limit the obligations of Seller to Agent as set forth herein.

SELLER: *[Signature]* ADDRESS: _____
Lee Kizer, Agent for Seller

SELLER: _____ TELEPHONE: _____

DATE: 10-1-99

Agent accepts and agrees to the foregoing.

AGENT: MARCUS & MILLICHAP INCORPORATED OF CHICAGO

BY: _____ ADDRESS: 8750 West Irving Mawr, #750

DATE: _____ Chicago, Illinois 60631

NO REPRESENTATION IS MADE BY AGENT AS TO THE LEGAL OR TAX EFFECT OR VALIDITY OF ANY PROVISION OF THIS PURCHASE AGREEMENT. A REAL ESTATE BROKER IS QUALIFIED TO GIVE ADVICE ON REAL ESTATE MATTERS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT YOUR ATTORNEY OR TAX ADVISOR.

This document is an addendum ("Addendum") to the Purchase Agreement ("Agreement") between Owner of Record ("Seller") and Ibrahim Shihadeh ("Buyer"), executed by Buyer on the 1st day of October, 19 99. The provisions of this Addendum which are numbered and fully completed are hereby added to and incorporated in the Terms and Conditions of the aforementioned Agreement. Any provision of this Addendum which is not numbered and fully completed shall have no force or effect.

- 1.1 Buyer shall have seven (7) calendar days following the Effective Date of this agreement to inspect the physical condition of the Property, including, but not limited to soil conditions and the presence or absence of lead-based paint and other hazardous materials on or about the Property, and to notify the Seller in writing that Buyer approves same. If Buyer fails to approve the physical condition of the Property within the specified time, this Agreement shall be null and void, Buyer's entire Deposit shall be returned, and Buyer and Seller shall have no further obligations hereunder.
- 1.2 Lead-Based Paint Hazards: Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 must be 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. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase. (SELLER TO INITIAL ONE BELOW)
 1. Seller warrants that the Property was constructed after 1978.
 2. Seller is not sure when the Property was constructed and/or has reason to believe that lead-based paint hazards may be present.

BUYER EXCHANGE

1.3 Buyer shall have the right (provided Buyer has notified Seller in writing at least ten (10) days prior to the Closing Date) to designate a parcel or parcels of other real property (the "Exchange Property") which buyer wishes to exchange for the Property. Seller shall cooperate with Buyer in effecting such an exchange provided that: (a) Seller shall not incur any additional liability or financial obligation as a consequence of Buyer's exchange; (b) Buyer's exchange shall in no way reduce the net amount to which Seller is entitled under the terms of this Agreement; (c) Seller shall have no obligation to close on the Exchange Property beyond a date 180 days from the Closing date; and (d) Buyer shall indemnify and hold Seller harmless from any and all liabilities, claims, losses or actions which Seller incurs or to which Seller may be exposed as a result of Seller's participation in the contemplated exchange. However, this agreement is not subject to or contingent upon buyer's ability to effectuate an exchange. In the event any exchange contemplated by Buyer should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided therein.

SELLER EXCHANGE

1.4 Seller shall have the right (provided Seller has notified Buyer in writing at least ten (10) days prior to the Closing Date) to designate a parcel or parcels of other real estate property (the "Exchange Property") which Seller would like to acquire in exchange for the Property. Buyer shall cooperate with Seller in effecting such an exchange provided that: (a) the acquisition and exchange of the designated Exchange Property shall not impose upon buyer an additional financial obligations; (b) Buyer shall have not obligation to close on the Exchange Property beyond a date 180 days from the Closing Date; and (c) Seller shall indemnify and hold buyer harmless from any and all liabilities, claims, losses or actions which Buyer incurs or to which buyer may be exposed as a result of Buyer's participation in the contemplated exchange. However, this agreement is not subject to or contingent upon Seller's ability to locate exchange Property of effectuate an exchange. In the event any exchange contemplated by Seller should fail to occur, for whatever reason, the sale of the Property shall nonetheless be consummated as provided herein.

ACCEPTANCE

The undersigned Buyer, Seller and Agent accept and agree to the foregoing.

BUYER: J.M. Michael DATE: Oct 1st 99

SELLER: [Signature] DATE: 10-1-99

AGENT: **MARCUS & MILLICAP INCORPORATED OF CHICAGO**

BY: _____ DATE: _____

NO REPRESENTATION IS MADE BY AGENT AS TO THE LEGAL OR TAX EFFECT OR VALIDITY OF ANY PROVISION OF THIS ADDENDUM. REAL ESTATE BROKER IS QUALIFIED TO GIVE ADVICE ON REAL ESTATE MATTERS. IF YOU DESIRE LEGAL OR TAX ADVICE, CONSULT YOUR ATTORNEY OR TAX ADVISOR.