

HOMEOWNER'S PROPERTY CONDITION DISCLOSURE STATEMENT (765 ILCS 77/35)

NOTICE: THIS DOCUMENT IS INTENDED TO INFORM POTENTIAL BUYERS ABOUT SIGNIFICANT DEFECTS IN THE RESIDENTIAL PROPERTY PRIOR TO ENTERING INTO A PURCHASE AGREEMENT. THIS REPORT DOES NOT RESTRICT THE PARTIES FROM AGREEING TO SELL THE PROPERTY IN ITS CURRENT "AS IS" CONDITION. ACCORDING TO COMMON LAW, SELLERS WHO DISCLOSE IMPORTANT DEFECTS MAY HAVE AN ONGOING DUTY TO UPDATE PROSPECTIVE BUYERS ABOUT THE PROPERTY'S CONDITION EVEN AFTER THIS REPORT HAS BEEN PROVIDED. FILLING OUT THIS REPORT IMPOSES LEGAL RESPONSIBILITIES ON THE SELLER; THEREFORE, SELLERS ARE ADVISED TO SEEK LEGAL COUNSEL BEFORE COMPLETING THIS FORM.

Property _____ Address: _____

City, _____ State _____ & _____ Zip _____ Code: _____

Seller's _____ Name: _____

This document reveals specific details about the residential property noted above, in accordance with the requirements of the Residential Real Property Disclosure Act. This information is provided as of _____, 20____. The information provided in this disclosure does not constitute any guarantees or warranties by the seller or any individual acting on behalf of any party involved in this transaction.

For the purposes of this form, "aware" means having actual knowledge or direct notice without conducting any specific investigation or inquiry. A "material defect" refers to a condition that would significantly reduce the value of the residential property or substantially threaten the health or safety of future occupants, unless the seller reasonably believes the issue has been resolved.

The seller provides the following information, understanding that, while these statements are not considered guarantees, potential buyers may rely on this information when deciding whether to purchase the property and under what conditions.

To the best of the seller's actual knowledge, the answers below are marked accurately as "yes" (true), "no" (false), or "not applicable" to the property being sold. If the seller responds "yes" or "not applicable" to any item other than question 1, an explanation must be included in the additional information section of this form.

- | | YES | NO | N/A | |
|-----|-----|-----|-----|--|
| 1. | ___ | ___ | ___ | The seller has lived in the property at some time during the past 12 months.
(If "no," please identify capacity or explain relationship to property.)

_____ |
| 2. | ___ | ___ | ___ | I currently maintain flood insurance coverage on the property. |
| 3. | ___ | ___ | ___ | I have knowledge of flooding or repeated water intrusion issues in the crawl space or basement. |
| 4. | ___ | ___ | ___ | I am aware that the property lies within a designated floodplain area. |
| 5. | ___ | ___ | ___ | I know of significant defects in the basement or foundation, including cracks or bulges. |
| 6. | ___ | ___ | ___ | I am aware of leaks or major defects affecting the roof, ceilings, or chimney. |
| 7. | ___ | ___ | ___ | I know of substantial defects in the walls, windows, doors, or flooring. |
| 8. | ___ | ___ | ___ | I am aware of material problems within the electrical system. |
| 9. | ___ | ___ | ___ | I know of defects in the plumbing system, including components such as the water heater, sump pump, water treatment system, sprinkler system, or swimming pool. |
| 10. | ___ | ___ | ___ | I am aware of defects in the well or related well equipment. |
| 11. | ___ | ___ | ___ | I know of unsafe conditions affecting the drinking water supply. |
| 12. | ___ | ___ | ___ | I am aware of defects in the heating, ventilation, or air conditioning systems. |
| 13. | ___ | ___ | ___ | I know of defects in the fireplace or wood-burning stove. |
| 14. | ___ | ___ | ___ | I am aware of problems with the septic system, sanitary sewer, or other waste disposal systems. |
| 15. | ___ | ___ | ___ | I am aware of hazardous levels of radon gas on the property. |
| 16. | ___ | ___ | ___ | I know of unsafe levels or conditions related to asbestos on the premises. |
| 17. | ___ | ___ | ___ | I am aware of unsafe levels or conditions involving lead-based paint, lead water pipes, lead plumbing, or lead-contaminated soil on the property. |
| 18. | ___ | ___ | ___ | I know of earth stability issues such as mine subsidence, underground pits, settling, sliding, or upheaval affecting the property. |
| 19. | ___ | ___ | ___ | I am aware of current infestations of termites or other wood-destroying insects. |

20. ☐ ☐ ☐ I know of structural damage caused by past termite or wood-boring insect infestations.
 21. ☐ ☐ ☐ I am aware of any underground fuel storage tanks located on the property.
 22. ☐ ☐ ☐ I know of disputes regarding property boundaries or lot lines.
 23. ☐ ☐ ☐ I have received notices of violations of local, state, or federal laws or regulations concerning this property that remain unresolved.
 24. ☐ ☐ ☐ I am aware that this property has been used for the manufacture of methamphetamine as defined under Section 10 of the Methamphetamine Control and Community Protection Act..

Please note: These disclosures pertain solely to the individual residential property and any limited common elements designated for the exclusive use of the unit, and do not address the common areas of the condominium.

Additionally, these disclosures are meant to describe the present condition of the property and do not cover past issues that the seller reasonably believes have been resolved.

If any of the responses above are marked "yes" or "not applicable," please provide an explanation here or attach extra pages if needed:

Check here if additional pages are used: ☐

The seller confirms that they have completed this report and that the information given is based on the seller's actual knowledge or direct awareness, without conducting any special investigation or inquiry. The seller also grants permission for any individual representing a party in this transaction to share a copy of this report and disclose its contents to anyone involved in or considering the sale of the property.

THE SELLER UNDERSTANDS THAT THIS DISCLOSURE REPORT MUST BE GIVEN TO THE PROSPECTIVE BUYER BEFORE THE CONTRACT IS SIGNED AND THAT, ACCORDING TO SECTION 30 OF THE RESIDENTIAL REAL PROPERTY DISCLOSURE ACT, THE SELLER HAS AN ONGOING DUTY TO UPDATE THIS DISCLOSURE PRIOR TO THE CLOSING.

Seller: _____ Date: _____

Seller: _____ Date: _____

THE PROSPECTIVE BUYER UNDERSTANDS THAT THE PARTIES MAY AGREE TO COMPLETE THE SALE OF THE PROPERTY WITH ANY OR ALL DISCLOSED MATERIAL DEFECTS ("AS IS"). THIS DISCLOSURE DOES NOT REPLACE ANY INSPECTIONS OR WARRANTIES THAT THE BUYER OR SELLER MAY WANT TO OBTAIN OR NEGOTIATE. THE SELLER'S LACK OF KNOWLEDGE ABOUT A SPECIFIC ISSUE OR CONDITION DOES NOT ENSURE THAT SUCH A PROBLEM IS ABSENT. THE PROSPECTIVE BUYER UNDERSTANDS THAT THEY HAVE THE OPTION TO REQUEST A PROFESSIONAL INSPECTION OF THE PROPERTY BY A QUALIFIED EXPERT.

Prospective Buyer: _____ Date: _____ Time: _____

Prospective Buyer: _____ Date: _____ Time: _____

A COPY OF SECTIONS 5 THROUGH 65 OF ARTICLE 2 OF THE RESIDENTIAL REAL PROPERTY DISCLOSURE ACT IS ATTACHED TO THIS DOCUMENT AND SHOULD BE REVIEWED BY THE PROSPECTIVE BUYER.

ACT GOVERNING THE DISCLOSURE OF
RESIDENTIAL REAL PROPERTY
ARTICLE 2: DISCLOSURES

765 ILCS 77/5 *et seq.*

Section 5. Definitions: For the purposes of this Act, and unless the context indicates otherwise, the following definitions apply:

“Residential real property” refers to land that contains at least one but no more than four residential dwelling units; units within residential cooperatives; or condominium units, including the limited common elements designated for the unit’s exclusive use that are an essential part of the condominium. This term also includes a manufactured home, as defined in subdivision (53) of Section 9-102 of the Uniform Commercial Code, when it qualifies as real property under the Conveyance and Encumbrance of Manufactured Homes as Real Property and Severance Act.

“Seller” refers to any individual or entity that:

- (1) Is a beneficiary of an Illinois land trust; or
- (2) Holds a legal or equitable interest in residential real property as:
 - i. an owner;
 - ii. a beneficiary of a trust;
 - iii. A beneficiary through a will, inheritance without a will, or a transfer on death instrument; or
 - iv. A purchaser under contract or a tenant under a ground lease.

“Seller” does not include a party involved in a transfer that is exempt under Section 15, nor a beneficiary who has both (i) never lived in the residential property and (ii) never had responsibility for managing it.

“Prospective buyer” refers to any individual or entity engaged in negotiations or making an offer to become the owner or ground lease tenant of residential real property through a transfer for value covered by this Act.

“Contract” means a written agreement between the seller and the prospective buyer which, once all negotiated contingencies are met, obligates the prospective buyer to complete the transfer of the residential real property.

Section 10. Applicability. Unless otherwise stated in Section 15, this Act applies to any transfer of residential real property made through sale, exchange, installment land sale contract, assignment of a beneficial interest, lease with an option to buy, ground lease, or the assignment of a ground lease.

Section 15. Seller Exemptions. A seller involved in any of the following types of transfers is not subject to the requirements of this Act, even if a disclosure report is provided:

- (1) Transfers required by a court directive — this includes, but is not limited to, those ordered by a probate court during the settlement of an estate, property transfers between spouses arising from a divorce decree or legal separation judgment, transfers under an order of possession, conveyances by a bankruptcy trustee, acquisitions through eminent domain, and transfers pursuant to a decree of specific performance.
- (2) Transfers related to foreclosure or mortgage default — this covers conveyances from a borrower to a lender through a deed in lieu of foreclosure or consent judgment, transfers by judicial deed issued after a foreclosure sale to the winning bidder or the assignee of a sale certificate, transfers through collateral assignment of a beneficial interest in a land trust, and transfers by a lender (or its successor in secured interest) or a deed-of-trust beneficiary who has taken ownership by deed in lieu of foreclosure, consent judgment, or judicial deed following a foreclosure sale.
- (3) Transfers by a fiduciary during estate or trust administration — this includes actions taken in managing a deceased person’s estate, a guardianship, conservatorship, or trust. For the purposes of this provision, the term “trust” also encompasses an Illinois land trust.
- (4) Transfers between co-owners — conveyances from one co-owner to one or more other co-owners..
- (5) Transfers from a deceased individual — whether through a will, intestate succession, or a transfer-on-death instrument.
- (6) Transfers to close family members — conveyances to a spouse or to individuals in the direct line of blood relation to one or more of the sellers.
- (7) Transfers by relocation-assistance entities — when an entity acquires title from a seller solely to assist in the seller’s relocation, provided the entity gives all potential buyers a copy of the disclosure statement originally provided by the seller.
- (8) Transfers involving governmental bodies — conveyances to or from any government agency or authority.
- (9) Transfers of brand-new residential properties — properties that are newly constructed and have never been lived in. This does not include renovated or rehabilitated existing residential buildings.

Section 20. Disclosure Report Obligations. The owner of residential real estate must fill out every section of the disclosure form outlined in Section 35. This completed disclosure document must be provided in writing to the potential purchaser prior to the execution of any purchase agreement.

Section 25. Seller’s Responsibility.

(a) A seller will not be held liable for any mistake, inaccuracy, or omission in the information provided under this Act if (i) the seller was unaware of the mistake, inaccuracy, or omission, (ii) the mistake, inaccuracy, or omission arose from a reasonable belief that any undisclosed material defect or other issue had already been remedied, or (iii) the mistake, inaccuracy, or omission was based on information supplied by a governmental body, a licensed engineer, land surveyor, structural pest control specialist, or a contractor concerning matters within that contractor’s professional field, and the seller had no actual knowledge of the mistake, inaccuracy, or omission.

(b) The seller must reveal any material defects that they are personally aware of.

(c) This Act does not require the seller to conduct any particular inspection or investigation in order to complete the disclosure form.

Section 30. Updated Disclosure Report. If, before the closing date, a seller learns of any mistake, inaccuracy, or omission in a previously delivered disclosure report or its supplement, the seller must provide an additional written disclosure correcting the issue.

This supplemental disclosure shall be delivered to the prospective buyer using any method permitted under Section 5.

Section 35. Disclosure report form [omitted]

Section 40. Material defect.

(a) If the seller reveals a material defect in the Residential Real Property Disclosure Report—this includes any “yes” response other than those for items 1 and 2—and, contrary to the requirements of Section 20, provides that report to the prospective buyer only after all parties have signed a purchase contract, the buyer has the right, within five business days of receiving the report, to cancel the contract or agreement. In such case, all earnest money deposits or down payments made by the buyer in connection with the transaction must be returned, and the seller will have no claim against the buyer.

(b) If the seller discloses a material defect in an addendum or supplement to the disclosure report, the buyer’s right to cancel the agreement exists only if:

(i) the defect stems from an error, inaccuracy, or omission that the seller actually knew about when completing and signing the earlier disclosure; (ii) the defect cannot be remedied before the closing date; or (iii) the defect is capable of being repaired before closing, but the seller either refuses or does not provide written agreement to make the repair within five business days after the supplemental disclosure is delivered.

(c) The ability to cancel the contract ends once the residential real property has been conveyed. For the purposes of this Act, a termination is considered effective when written notice is delivered to at least one seller, using any delivery method allowed under Section 50, at the contact information provided by a seller or listed in the contract or related agreement. Nothing in subsections (a) or (b) restricts any remedies available under the contract or under Section 55.

Section 45. Relationship to Other Law. Nothing in this Act is intended to reduce the remedies available or alter any disclosure duties imposed by other statutes or existing under common law to prevent fraud, misrepresentation, or deceit in a transaction.

Section 50. Method of Providing Disclosure Report. The Residential Real Property Disclosure Report required under this Act may be delivered by:

(1) Hand delivery, fax, email, or other form of electronic transmission sent to the prospective buyer using the contact details supplied by the buyer or listed in the contract or related agreement;

(2) Mailing the report through the United States Postal Service, with first-class postage prepaid, addressed to the prospective buyer at the address given by the buyer or shown in the contract or related agreement; or

(3) Sending the report through a commercial delivery service, such as Federal Express or UPS, with delivery fees prepaid, addressed to the prospective buyer at the address provided by the buyer or stated in the contract or related agreement.

For the purposes of this Act, providing the disclosure report to one prospective buyer is considered delivery to all prospective buyers. Providing it to a person authorized to act for a prospective buyer is likewise considered delivery to all prospective buyers. The report is deemed delivered once it has been received by the prospective buyer. Receipt may be confirmed by an acknowledgment on the report itself, within the real estate purchase agreement, or through any other verifiable method.

Section 55. Violations and damages. If the seller does not provide the disclosure report before transferring ownership of the residential real property, the prospective buyer has the right to cancel the contract. A seller who willfully violates or fails to fulfill any obligation set forth in this Act, or who includes information in the Residential Real Property Disclosure Report that they know is false, is responsible for actual damages and court costs. In addition, the court may grant the prevailing party reasonable attorney’s fees.

Section 60. Time Limit for Legal Action. Any lawsuit alleging a violation of this Act must be filed within one year from the earliest of the following dates: the date the buyer takes possession, the date the property is occupied, or the date an instrument of conveyance for the residential real property is recorded.

Section 65. Disclosure Report Form—Required Text. A copy of Sections 5 through 65 of Article 2 of this Act, except for Section 35, shall be included in full on, or incorporated as part of, the Residential Real Property Disclosure Report form.

Date provided to Buyer: _____

Seller: _____