

INSTRUCTIONS FOR PREPARATION OF AGREEMENT FOR DEED

For use with Real Estate Purchase Contract in cases of Agreement for Deed sales

(For the Exclusive Use of Realtor® Members of the Central Illinois Board of Realtors®)

Property: _____

Buyer: _____

Seller: _____

1. The Agreement for Deed is an essential document to this contract and by reference is incorporated herein and made a part hereof.
2. In the event that the consummation of this Agreement for Deed sale **WOULD** accelerate the entire indebtedness of Seller's existing mortgage or Agreement for Deed, and Seller does not obtain a written waiver of acceleration from the Mortgage Lender, this Agreement for Deed sale is null and void and earnest money shall be refunded to Buyer.
3. For the Agreement for Deed Document at Settlement, the parties agree to the following terms:
 - A. Total down payment by Buyer \$_____. (Does not include closing costs of Buyer).
 - B. Total Buyer monthly payment of: \$_____, at _____%, which will include all principle, interest, taxes, and insurance as follows: \$_____ (Principle and Interest), \$_____ (1/12 annual cost for Taxes, and \$_____ (1/12 annual cost for Insurance). The principle and interest portion of the payment has been calculated for an amortization of _____ years. Buyer agrees to additionally pay the monthly fee to the escrow agent and the opening and closing/termination fee to the escrow agent. Select the option below if a balloon payment will be implemented:
 Balloon Payment: The entire balance of indebtedness shall be paid no later than _____ years from date of Agreement.
 - C. Due date of first installment payment: (Select one):
 30 days after settlement
 Date:_____
 - D. Name of Escrow Agent: _____
 - E. **Buyer is required** to pay the **first year's hazard insurance premium** and **name as additional insured the Seller and Seller's mortgage company**, if any. Buyer must provide a one-year pre-paid insurance binder and receipt for payment in for one year at time of closing.
 - F. (Select the appropriate option below for tax and insurance obligation):
 Buyer shall pay insurance and taxes when due and promptly submit to Seller evidence of payment.
 Seller shall pay insurance and taxes when due and submit evidence of payment to Escrow Agent, who shall add same to contract balance as of the date submitted. (Upon written notice by Seller to Buyer and Escrow Agent, Installment Payment shall be increased by 1/12th of any increase in insurance and/or taxes over the year of most recent such adjustment.) (Buyer agrees to pay said sums to Escrow Agent within sixty (60) days of notification of same by Seller.)

Buyer Signature

Date

Seller Signature

Date

Buyer Signature

Date

Seller Signature

Date