



2016 Exclusive Rental Listing Agreement

IMPORTANT MESSAGE

The Board of Directors of the Chicago Association of REALTORS® has passed a resolution concerning the acceptance of security deposits (or any other deposits) in lease transactions within the City of Chicago.

It is the policy of the Chicago Association of REALTORS® that some provisions within the Chicago Residential Landlord Tenant Ordinance (CRLTO) are difficult if not impossible for owners of rental properties and agents acting on their behalf to comply with as it subjects the landlord to extraordinary penalties for even the most innocent of errors. Specifically, the mishandling of security deposits or interest payments on those deposits automatically provides penalties in the amount of:

- Two times the security deposit + the return of the original value of the initial security deposit + the properly calculated interest + “reasonable” plaintiff’s attorney’s fees.

Included in this Exclusive Rental Listing Agreement are the Chicago Residential Landlord and Tenant Ordinance Summary (CRLTO) and the 2016 Residential Landlord and Tenant Ordinance Rate of Interest on Security Deposits. A full copy of the ordinance can be found at: https://www.cityofchicago.org/city/en/depts/dcd/supp_info/rents_right.html

We strongly recommend owners and their agents of ANY residential property, including condominiums, to consult with an attorney prior to accepting any deposits.



This Exclusive Rental Listing Agreement ("Agreement") is made and entered into as of _____, 20__ ("Effective Date"), by and between _____ ("Sponsoring Broker") and _____ ("Owner").

Owner is the owner of the residential real property located at _____ Chicago, Illinois _____ which includes parking/garage space number(s) _____ and storage space number _____ ("Property"). Owner authorizes Sponsoring Broker to market the Property at a price of \$_____ per month ("Rental Price") which **(check one)** does include parking; does not include parking, parking is an additional \$_____ per month. At Owner's written direction, the rental price may be changed during the Term (as defined below.)

Owner desires to retain Sponsoring Broker as its sole and exclusive Sponsoring Broker for the leasing of the Property, and Sponsoring Broker agrees to act in such capacity upon the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the promises and mutual covenants set forth below, the sufficiency of which is hereby acknowledged, the parties agree as follows:

- Appointment of Sponsoring Broker.** Owner hereby appoints Sponsoring Broker as its exclusive Sponsoring Broker for the leasing of the Property. During the Term (as defined below), the parties hereby agree that Sponsoring Broker shall have the exclusive right to provide Owner leasing services for the Property, and Owner shall not appoint or hire any other person or entity to provide similar leasing services for the Property.
- Term of Agreement.** The term of this Agreement ("Term") shall commence on the Effective Date and shall expire upon the earlier of (a) the full execution of a lease for the Property ("Property Lease"); (b) the Closing (as defined below) of a Property Sale (as defined below); or (c) _____ months from the Effective Date, unless otherwise terminated pursuant to the terms and conditions of this Agreement. Upon the expiration of the Term, this Agreement shall immediately terminate and the obligations of both parties shall cease; provided, however, such termination shall not alter Owner's obligation to pay (or cause Sponsoring Broker to be paid) any and all Rental Commission (as defined below) or Property Sale Commission (as defined below) earned, along with all other amounts due to Sponsoring Broker pursuant to the terms and conditions of this Agreement.
- Designated Agent.** Sponsoring Broker and Owner hereby agree that _____, a sponsored licensee of Sponsoring Broker, shall be Owner's exclusive designated agent ("Designated Agent") under this Agreement and neither Sponsoring Broker nor any other sponsored licensees of Sponsoring Broker will be acting as agent for Owner. Owner understands and agrees that Sponsoring Broker and any of Sponsoring Broker's other sponsored licensees (except for the Designated Agent) may enter into agreements with prospective tenants of the Property as agents for those tenants.
- Minimum Services.** Pursuant to the Illinois Real Estate License Act of 2000, 225 ILCS 454/1 et seq., as amended, Sponsoring Broker, through the Designated Agent, must provide Owner with the following minimum services through the expiration or earlier termination of this Agreement: (a) accepting and presenting Owner with any applications, offers, and counteroffers to lease the Property or any portion thereof; (b) assisting Owner in developing communications and negotiating the terms, as applicable, of applications, offers, counteroffers and notices that relate to leasing of the Property; and (c) answering Owner's questions relating to such applications, offers, counteroffers, and notices.
- Sponsoring Broker's Commission.** Owner agrees to pay Sponsoring Broker, or cause Sponsoring Broker to be paid, for the services rendered under this Agreement, a rental commission of _____ plus \$_____ [~~strike if inapplicable~~] (the "Rental Commission"). The Rental Commission shall be due and payable immediately upon the full execution (by Owner and Approved Tenant) of the Property Lease. Owner agrees that Sponsoring Broker may collect the Rental Commission from the first month's rent check, which shall be payable by the Approved Tenant to Sponsoring Broker and shall be collected by Sponsoring Broker. If the Rental Commission is greater than the first month's rent check payable by the Approved Tenant, Owner agrees to pay such difference to Sponsoring Broker in the form of a certified check immediately upon the full execution of the Property Lease. Any default by the Approved Tenant under the Property Lease, including failure to pay rent, shall not affect the Rental Commission due hereunder.
- Purchase of Property By Tenant.** If the Approved Tenant and Owner enter into a real estate purchase contract (the "Purchase Contract") for the purchase of the Property and complete the Closing (as defined below) (a "Property Sale"), Owner agrees to pay Sponsoring Broker, or cause Sponsoring Broker to be paid, a commission equal to _____% of the purchase price of the Property (as set forth in the Purchase Contract) ("Property Sale Commission"). Owner shall pay the Property Sale Commission to the Sponsoring Broker at or through the Closing, with such payment being made simultaneously with the disbursement of the Property Sale proceeds and payoff of any mortgage indebtedness on the Property. For the purposes of this Agreement, "Closing" shall be defined as the specific date and time when the Property Sale proceeds are disbursed to the Owner, Owner's designee or the Owner's lender and a deed transferring title of the Property is delivered to the Approved Tenant.
- Owner Obligations.** From and after the Effective Date, Owner agrees to: (a) cooperate fully with Sponsoring Broker and the Designated Agent with regard to the leasing of the Property; (b) refer all leasing or purchasing inquiries to Sponsoring Broker and the Designated Agent; (c) allow inspection of the Property and entry by Sponsoring Broker, the Designated Agent and/or cooperating brokers (whether alone or accompanied by Sponsoring Broker or Designated Agent) for the purpose of showing the Property to prospective tenants; (d) conduct all negotiations regarding the Property through Sponsoring Broker or Designated Agent; (e) pay Sponsoring Broker the Rental Commission or Property Sale Commission, as applicable, pursuant to the terms of this Agreement; and (f) pay Sponsoring Broker on demand for broker's out of pocket advertising and marketing costs in the amount of \$_____.
- Dual Agency.** By checking "Yes" and initialing below, Owner acknowledges and agrees that the Designated Agent may undertake a dual representation (represent both Owner and a Prospective or an Approved Tenant) for the sale or lease of the Property. Owner acknowledges and agrees that Owner has read the following prior to executing this Agreement:

Representing more than one party to a transaction presents a conflict of interest since both parties may rely upon the Designated Agent's advice and the parties' respective interests may be adverse to each other. The Designated Agent will undertake the representation of more than one party to a transaction only with the written consent of ALL parties to the transaction. Any parties who consent to dual representation expressly agree that any agreement between the parties as to any terms of the Property Lease, including the final Rental Price, results from each party negotiating on its own behalf and in its own best interest. Owner acknowledges and agrees that (a) Sponsoring Broker has explained the implications of dual representation, including the risks involved, and (b) Owner has been advised to seek independent counsel from its advisors and/or attorneys prior to executing this Agreement or any documents in connection with this Agreement.

What the Designated Agent CAN Do For Parties When Undertaking Dual Representation:

- Treat all parties honestly.
- Provide information about the Property to the Prospective Tenant or a prospective purchaser.
- Disclose all latent material defects in the Property that are known to the Designated Agent.

Owner Initials _____ Owner Initials _____

Managing Broker Initials _____

- Disclose the financial qualification of the Prospective Tenant or a prospective purchaser to the Owner.
- Explain real estate terms.
- Help the Prospective Tenant or a prospective purchaser arrange for inspections of the Property.
- Explain closing costs and procedures.
- Help the Prospective Tenant or a prospective purchaser compare financing alternatives.
- Provide information about comparable properties that have sold or rented so both parties may make educated decisions on what price to accept or offer.

What a Designated Agent CANNOT Do For Parties When Undertaking Dual Representation:

- Disclose confidential information that the Designated Agent may know about either party without that party's express consent.
- Disclose the price the Owner will accept other than the Rental Price or listing price, as applicable, without permission of Owner.
- Disclose the rental price or purchase price, as applicable, the Prospective Tenant or a prospective purchaser is willing to pay without the permission of the Prospective Tenant or a prospective purchaser.
- Recommend or suggest a rental price or purchase price, as applicable, the Prospective Tenant or a prospective purchaser should offer.
- Recommend or suggest a rental price or purchase price, as applicable, the Owner should counter or accept.

Owner acknowledges having read these provisions regarding the issue of dual representation. Owner is not required to accept this Paragraph 8 unless Owner wishes to allow the Designated Agent to proceed as a dual agent ("Dual Agent") in this transaction. By checking "Yes", signing below, and signing this Agreement, Owner acknowledges that it has read and understands this Paragraph 8 and voluntarily consents to the Designated Agent acting as a Dual Agent (that is, to represent both the Owner and prospective tenant or purchaser, as applicable) should it become necessary.

Yes No (*check one*) Owner Signature _____ Owner Signature _____

9. **Required Information.** Prior to the Property being listed for lease, Owner agrees to provide the following items or information to Designated Agent:
- A complete set of keys/fobs/parking remotes and access to the Property (building and unit, as applicable) as of the Effective Date.
 - A complete copy of the most recent Building Rules and Regulations & Move-in Packet and Procedures, if applicable.
 - The complete written instructions for maintenance, use, and testing of smoke detector(s) and carbon monoxide detector(s) inside the Property.
 - The contact information for the Building Manager, Property Manager, or Association Contact, as applicable.

Name Phone Email

8. Heat is paid for by: Tenant Owner/Supplied by building
 Heat Supply is: Gas Electric
 Utilities **included** in the rent: (*check all that apply*)
 Heat Gas Electric Water Cable Internet Other _____

Furthermore, Owner is responsible for providing the Building Manager, Property Manager or Association Contact, as applicable, with a copy of the Property Lease and other required documents, if any.

10. **Ordinances; Security Deposit.** Owner acknowledges receipt of the Chicago Residential Landlord and Tenant Ordinance Summary (the "Ordinance") and most recent Residential Landlord and Tenant Ordinance Rate of Interest on Security Deposits (Municipal Code of Chicago, Section 5-12-170; 5-12-080; and 5-12-081). The Ordinance requires landlords to keep tenant security deposits in a separate ILLINOIS bank account and provide the tenant with the bank name and branch address on the front page of the lease (Municipal Code of Chicago, Section 5-12-080 and 5-12-081). If Owner chooses to hold a security deposit instead of a non-refundable move-in fee, then Owner agrees to provide Designated Agent with the bank name and branch address of the bank that will hold the Approved Tenant's security deposit. Owner agrees to provide this information to the Designated Agent prior to the full execution of the Property Lease by Owner and the Approved Tenant.

Owner elects to have a: (*choose one*) security deposit of \$_____ or non-refundable move-in fee of \$_____.

11. **Insurance Requirements.** Owner shall include the name, address, and telephone number of the company or companies insuring the Property against loss or damage by fire or explosion or if the Property is not insured, shall state such information in the Property Lease (735 ILCS 5/9-320).

Enter Insurance Company Information Below: (*Informational for Property Lease Only*)

Insurance Company: _____ Phone: _____

Address: _____

12. **Locks.** After the Property has been vacated and on or before the day that an Approved Tenant takes possession of the Property, the Owner shall change or rekey the immediate access point(s) to the Property or the Approved Tenant's individual dwelling unit within the Property unless the Owner provides the Approved Tenant the right to change or rekey the Property or the Approved Tenant's individual dwelling unit pursuant to the Property Lease (765 ILCS 705/15).

13. **Promoting and Advertising Property per the Illinois Real Estate Act of 2000, As Revised.** Sponsoring Broker is hereby authorized to promote and advertise the Property as Sponsoring Broker deems appropriate, including but not limited to (a) displaying signs on the Property, (b) placing the Property in any Multiple Listing Service (MLS) in which Sponsoring Broker participates as of the Effective Date, (c) promoting the Property on Sponsoring Broker's internet website and other brokers' internet websites, and/or through any other advertising medium which Sponsoring Broker may subscribe to or otherwise use, and (d) releasing information as to the Rental Price, availability date, security deposit amount, move-in/out fees, and other related information to any MLS in which Sponsoring Broker participates as of the Effective Date. Consistent with the foregoing, any internet website which promotes the Property may (a) allow third parties to write comments or reviews about the Property, or display a hyperlink to such comments or reviews, or (b) include an automated estimate of the fair market value of the Property, or display a hyperlink to such an estimate. The foregoing notwithstanding, by checking one or both of the boxes at the end of this Paragraph 13, and writing its initials below, Owner requests that any internet website under Sponsoring Broker's control which promotes the Property, disable or discontinue one or

Owner Initials _____ Owner Initials _____ Managing Broker Initials _____

both of the features referenced above. If requested as indicated, Sponsoring Broker will disable or discontinue such designated feature(s) on its website and will communicate to each MLS in which it participates that the Owner has elected to have one or both of these features disabled or discontinued. However, notwithstanding any such Owner request, a broker's internet website may (a) communicate the broker's professional judgment concerning the Property, and (b) notify its customers and visitors to its website that a feature has been disabled or discontinued "at the request of Owner".

Disable/Discontinue Website Features **(check any that apply)**:

- Disable/Discontinue Comments/Reviews regarding Property;
- Disable/Discontinue Automated Estimate of Market Value of Property.

Owner Initials _____ Owner Initials _____ **[initial if boxes above are checked]**

Listing Property in the MLS **(check any that apply. If no boxes are checked and initialed, then Property will be listed in the MLS within 72 hours of Effective Date.)**:

- Owner requests that Property be listed in the MLS within 72 hours after completed virtual tour or photo session.
- Owner requests that Property be listed in the MLS on or before _____, 20__.

Owner Initials _____ Owner Initials _____ **[initial if boxes above are checked]**

This Agreement is subject to the provisions appearing on subsequent pages. This Agreement may be executed in multiple copies and Owner's signature hereon acknowledges that Owner has received a signed copy. Any party may sign a counterpart of this document by electronic means, and any counter party so signed shall be deemed original signed by such party.

Owner's Signature Date

As Managing Broker for Sponsoring Broker Date

Owner's Signature Date

Brokerage Name:

Address:

Owner's Name (print):

City: State: Zip:

Owner's Name (print):

Phone:

Phone: Email:

Designated Agent Name:

Phone: Email:

MLS ID: Phone:

Phone: Email:

Email:

Owner's Mailing Address for the Property Lease:

Address

City St Zip

General Provisions:

- A. Fair Housing Act. IT IS ILLEGAL FOR EITHER THE OWNER OR THE SPONSORING BROKER TO REFUSE TO DISPLAY, LIST, LEASE OR SELL, OR REFUSE TO NEGOTIATE FOR THE LEASE OR SALE OF, OR OTHERWISE MAKE UNAVAILABLE OR DENY REAL ESTATE TO ANY PERSON BECAUSE OF ONES MEMBERSHIP IN A PROTECTED CLASS, (E.G., RACE, COLOR, RELIGION, NATIONAL ORIGIN, SEX, ANCESTRY, AGE, MARITAL STATUS, PHYSICAL OR MENTAL HANDICAP, FAMILIAL STATUS, OR ANY OTHER CLASS PROTECTED BY ARTICLE 3 OF THE ILLINOIS HUMAN RIGHTS ACT). OWNER AND SPONSORING BROKER ACKNOWLEDGE THAT THEY SHALL ALSO BE BOUND BY THE PROVISIONS OF STATE AND LOCAL (CITY AND/OR COUNTY) HUMAN RIGHTS OR FAIR HOUSING ORDINANCECS, IF ANY, AND AGREE TO COMPLY WITH SAME.**
- B. Duties and Representation of Sponsoring Broker.** During the Term, Sponsoring Broker agrees to: (i) exercise its best efforts to lease the Property to a suitable tenant; (ii) obtain applications from prospective tenants (each a "Prospective Tenant"); (iii) obtain credit checks on Prospective Tenants (at Prospective Tenant's cost), provided that Sponsoring Broker makes no representations or warranties as to the Prospective Tenant's credit-worthiness, with any determinations as to such credit worthiness being made by Owner, at its sole discretion; (iv) collect the security deposit from the Prospective Tenant(s) or the Approved Tenant on behalf of Owner; (v) upon approval of Owner, present the Prospective Tenant with a Property Lease for execution (upon full execution of the Property Lease by Owner and the Prospective Tenant, the Prospective Tenant then becomes the "Approved Tenant") (items (i) through (v) collectively, the "Services"). Sponsoring Broker acknowledges that it has no right to negotiate with Prospective Tenant the terms of the Property Lease relating to the rental term, Rental Price, and security deposit. Sponsoring Broker acknowledges and agrees that it has no right, title, or interest in any security deposit collected pursuant to this Agreement, and shall immediately deliver all security deposits to Owner upon receipt. Upon delivery of any security deposit to Owner, Sponsoring Broker shall have no further responsibility in relation to the return of such security deposit to a Prospective Tenant or an Approved Tenant. Sponsoring Broker takes no responsibility for the upkeep and/or condition of the Property throughout the Term and shall have no obligation relating to the Property or the Property Lease after the expiration or earlier termination of this Agreement. Owner understands and agrees that laws, ordinances and other such regulations (the "Applicable Laws") apply to the leasing of residential real estate including the rights and responsibilities of parties under a lease, required disclosures, the administration of the lease during and after the term of the lease, and the methods used to adhere to such legal requirements. The Applicable Laws are complex, may not often contain a landlord right to cure, and often must be performed in strict compliance with said Applicable Laws. Failure to adhere to the Applicable Laws may provide tenant with a right to terminate the lease and/or a right to damages, fines, and attorneys' fees. Owner should seek advice of legal counsel to ensure compliance with the Applicable Laws and acknowledges and agrees that Sponsoring Broker has not given Owner any legal advice nor is Owner relying on any such advice from Sponsoring Broker.
- C. Duties, Responsibilities and Authorization of Owner.** During the Term, Owner agrees to: (i) fully cooperate with Sponsoring Broker and Designated Agent; (ii) exercise the utmost good faith in considering Prospective Tenants; (iii) assume all obligations and costs associated with the Property, including, but not limited to, assessments, mortgage, taxes, maintenance, and utilities; and (iv) immediately execute the Property Lease upon the selection of an Approved Tenant. Owner represents and warrants that it has the full and absolute right, power, authority, and capacity to enter into and perform this Agreement and that it is the sole record and beneficial owner of the Property. Owner acknowledges and agrees that Sponsoring Broker has no rights or interest in any security deposit collected

Owner Initials _____ Owner Initials _____

Managing Broker Initials _____

pursuant to this Agreement. Owner also agrees that it is Owner's sole responsibility to safeguard all personal property at the Property before showings of the Property to third-parties, including, but not limited to, open houses. Owner further acknowledges and agrees that Sponsoring Broker has no responsibility or duty to safeguard personal property at the Property and agrees to waive any and all claims against Sponsoring Broker relating to damages to or theft of personal property and to hold Sponsoring Broker harmless from any and all damages to or theft of any personal property. If the Property is currently leased, Owner agrees to advise Owner's tenant of the foregoing.

- D. **Lock Box.** Owner hereby authorizes Sponsoring Broker and Designated Agent to place an electronic or combination lock box on the Property in accordance with the terms and conditions of this Agreement for the purpose of keeping a key to the Property for access by cooperating real estate agents. Owner shall hold Sponsoring Broker, the Designated Agent and any other agents of Sponsoring Broker, and any MLS of which Sponsoring Broker is a participant (the "Indemnified Parties") harmless from any and all liability, claims, judgments, obligations, or demands against the Indemnified Parties as a result of Owner's authorization to use a "Lock Box," including, but not limited to, any and all liabilities and costs, including reasonable attorneys' fees incurred by the Indemnified Parties as a result of this authorization, except for any criminal or gross negligence on the part of Indemnified Parties.
- E. **Indemnity.** Owner hereby indemnifies and holds Sponsoring Broker, its members, managers, independent contractors, employees, successors and assigns harmless from and against any and all costs, expenses, claims, demands, liabilities and fees, including reasonable attorneys' fees, whether or not frivolous, incurred by any of them from any and every claim, action or demand relating to and/or arising out of (i) Sponsoring Broker's performance of the Services pursuant to the terms of this Agreement; (ii) the Property; (iii) any Property Leases; and/or (iv) breach by Owner of the terms of this Agreement or any applicable laws, statutes, or ordinances, including local or state landlord-tenant ordinances.
- F. **Representation of Multiple Owners.** Owner understands and agrees that Sponsoring Broker may from time to time represent or assist other owners who may be interested in selling or leasing property to the purchasers or tenants with whom Sponsoring Broker has a buyer agency contract or with whom Sponsoring Broker is working with as a customer. The Owner consents to Sponsoring Broker's representation of other owners before, during and after the expiration of this Agreement and expressly waives any claims, including, but not limited to, breach of fiduciary duty or breach of contract, based solely upon Sponsoring Broker's representation or assistance of other owners who may be interested in selling or leasing property to the purchasers or tenants with whom Sponsoring Broker has a buyer agency contract or with whom Sponsoring Broker is working with as a customer.
- G. **Cancellation of Agreement.** If this Agreement is cancelled by mutual agreement by the parties pursuant to the terms of this Agreement and unless otherwise mutually agreed to in writing by Sponsoring Broker and Owner, Owner shall pay Sponsoring Broker, within 4 business days of the Sponsoring Broker's written demand therefor, reimbursement of Sponsoring Broker's out-of-pocket expenses with regard to the Services, including but not limited to: marketing, photography, advertising, office expenses, MLS fees, printing, attorneys' fees and court costs. The amount of Sponsoring Broker's out-of-pocket expenses shall be determined solely by Sponsoring Broker. In cases of the Owner's breach of this Agreement, Owner shall pay to Sponsoring Broker the commission, compensation, and advertising & marketing costs as described in Paragraphs 5, 6, and 7 in this Agreement.
- H. **Dispute Resolution.** The parties agree that any dispute, controversy or claim arising out of or relating to this Agreement, or any breach of this Agreement by either party, shall be resolved by arbitration or mediation in accordance with the Code of Ethics and Arbitration Manual of the National Association of REALTORS®, as amended from time to time, through the facility of the Chicago Association of REALTORS®. The parties agree to be bound by any mediation agreement or by any award rendered by any professional standards arbitration hearing panel of the Chicago Association of REALTORS® and further agree that any mediation agreement or judgment upon any award rendered by a professional standards arbitration hearing panel of the Chicago Association of REALTORS® may be entered in any court having jurisdiction. The parties agree to execute any arbitration agreements, consents and documents as may be required by the Chicago Association of REALTORS® to facilitate any arbitration.
- I. **Notices.** All notices required by this Agreement shall be in writing and shall be served upon and by the parties or their attorneys at the addresses provided in this Agreement, as such addresses may be changed by notice given in accordance herewith. The mailing of 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, commercial delivery service, or by the use of a facsimile machine or sent by email and shall be deemed received when delivered. In addition, facsimile or digital signatures shall be sufficient for purposes of executing this Contract and shall be deemed originals.
- J. **Attorneys' Fees.** The prevailing party in any legal action or proceeding brought by one party against the other and arising out of this Agreement shall be entitled, in addition to any other rights and remedies it may have, to recover all expenses incurred at, before and after trial, appeal, or review, including, without limitation, reasonable attorneys' fees, witness fees (except and otherwise), deposition costs, copying charges and other expenses.
- K. **Relationship of the Parties.** Sponsoring Broker and Owner acknowledge and agree that Sponsoring Broker is acting solely as an independent contractor. Nothing in this Agreement constitutes or should be construed as creating a partnership, joint venture or any employer-employee relationship between Owner and Sponsoring Broker. Neither Owner nor Sponsoring Broker shall have the power to bind or obligate the other, except as expressly provided herein.
- L. **Limitation of Liability.** Except for Sponsoring Broker's willful misconduct, Sponsoring Broker's liability for any breach or negligence in its performance of its duties under this Agreement shall be limited to the amount of compensation actually received by Sponsoring Broker under this Agreement.
- M. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements of the parties with respect to such subject matter. Unless otherwise specifically herein provided, no provision of this Agreement may be waived, modified, amended, discharged or terminated except by an instrument signed by the party against whom the enforcement thereof is sought, and then only to the extent set forth in the instrument.
- N. **Binding Effect.** This Agreement will be binding on and will inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.
- O. **Counterparts.** This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together shall constitute one and other same instrument. A fully executed facsimile or electronic copy of this Agreement shall be effective as an original.
- P. **Assignment.** Neither party shall transfer or assign this Agreement, or any interest herein or hereunder without the other party's prior written approval.
- Q. **Plurals; Certain Terms.** Wherever appropriate within this Agreement, the singular includes the plural and the masculine form shall include the feminine and neuter, and vice versa. If either Party comprises more than one person and/or entity, then the liability hereunder of such persons and/or entities shall be entirely joint and several. The words "including", "include" or "includes" or words of similar import shall not, unless the context requires otherwise, be construed as words of limitation.
- R. **Headings.** The captions in this Agreement are provided for convenience of reference only and do not by themselves define, describe or limit the scope of intent of this Agreement.
- S. **Governing Law.** This Agreement shall, in all respects, be governed, construed, applied, and enforced in accordance with the law of the State of Illinois, without resort to any choice of law principles.
- T. **Severability.** The unenforceability or invalidity of any provision hereof shall not effect the enforceability or validity of any other provision hereof, except to the extent that either party is substantially deprived of such party's consideration for entering into this transaction.
- U. **No Third Party Beneficiary.** Except to the extent as may be otherwise specifically herein provided, this Agreement is for the benefit only of the parties hereto or their respective heirs, personal representatives, successors and permitted assigns and no other person or entity shall be entitled to rely hereon, receive any benefit herefrom or enforce against any party hereto any provisions hereof.

Owner Initials _____ Owner Initials _____

Managing Broker Initials _____



Rahm Emanuel
Mayor

CITY OF CHICAGO RESIDENTIAL LANDLORD AND TENANT ORDINANCE SUMMARY



At initial offering, this Summary of the ordinance must be attached to every written rental agreement and also upon initial offering for renewal. The Summary must also be given to a tenant at initial offering of an oral agreement, whether the agreement is new or a renewal. Unless otherwise noted, all provisions are effective as of November 6, 1986. {Mun. Code Ch. 5-12-170}

IMPORTANT: IF YOU SEEK TO EXERCISE RIGHTS UNDER THE ORDINANCE, OBTAIN A COPY OF THE ENTIRE ORDINANCE TO DETERMINE APPROPRIATE REMEDIES AND PROCEDURES. CONSULTING AN ATTORNEY WOULD ALSO BE ADVISABLE. FOR A COPY OF THE ORDINANCE, VISIT THE CITY CLERK'S OFFICE ROOM 107, CITY HALL, 121 N. LASALLE, CHICAGO, ILLINOIS.

IMPORTANT NOTICE

A message about porch safety: The porch or deck of this building should be designed for a live load of up to 100 lbs. per square foot, and is safe only for its intended use. Protect your safety. Do not overload the porch or deck. If you have questions about porch or deck safety, call the City of Chicago non-emergency number, 3-1-1.

WHAT RENTAL UNITS ARE COVERED BY THE ORDINANCE? {MUN. CODE CH. 5-12-010 & 5-12-020}

- Rental units with written or oral leases (including all subsidized units such as CHA, IHDA, Section 8 Housing Choice Vouchers, etc.)

EXCEPT

- Units in owner occupied buildings with six or fewer units.
- Units in hotels, motels, rooming houses, unless rent is paid on a monthly basis and unit is occupied for more than 32 days.
- School dormitory rooms, shelters, employee's quarters, non-residential rental properties.
- Owner occupied co-ops and condominiums.

WHAT ARE THE TENANT'S GENERAL DUTIES UNDER THE ORDINANCE? {MUN. CODE CH. 5-12-040}

The tenant, the tenant's family and invited guests must comply with all obligations imposed specifically upon tenants by the Municipal Code, including:

- Buying and installing working batteries in smoke and carbon monoxide detectors within tenant's apartment.
- Keeping the unit safe and clean.
- Using all equipment and facilities in a reasonable manner.
- Not deliberately or negligently damaging the unit.
- Not disturbing other residents.

LANDLORD'S RIGHT OF ACCESS {MUN. CODE CH. 5-12-050}

- A tenant shall permit reasonable access to a landlord upon receiving two days notice by mail, telephone, written notice or other means designed in good faith to provide notice.
- A general notice to all affected tenants may be given in the event repair work on common areas or other units may require such access.
- In the event of emergency or where repairs elsewhere unexpectedly require access, the landlord must provide notice within two days after entry.

SECURITY DEPOSITS AND PREPAID RENT {MUN. CODE CH. 5-12-080 AND 5-12-081}

- A landlord must give a tenant a receipt for a security deposit including the owner's name, the date it was received and a description of the dwelling unit. The receipt must be signed by the person accepting the security deposit.
- However, if the security deposit is paid by means of an electronic funds transfer, the landlord has the option to give an electronic receipt. The electronic receipt must describe the dwelling unit, state the amount and date of the deposit, and have an electronic or digital signature. (eff. 10-8-10)
- However, the landlord may accept the payment of the first month's rent and the security deposit in one check or one electronic funds transfer and deposit such rent and security deposit into one account, if the landlord within 5 days of such acceptance transfers the security deposit into a separate account. (eff. 10-8-10)
- A landlord must hold all security deposits in a federally insured interest-bearing account in a financial institution located in Illinois. Security deposits and interest thereon shall not be commingled with the assets of the landlord.
- A written rental agreement must specify the financial institution where the security deposit will be deposited. If there is no written rental agreement, the landlord must in writing provide such information to the tenant within 14 days of the receipt of the security deposit. If the security deposit is transferred to another financial institution, the landlord must notify the tenant within 14 days of the transfer the name and address of the new financial institution. (eff. 10-8-10)

SECURITY DEPOSITS AND PREPAID RENT {MUN. CODE CH. 5-12-080 AND 5-12-081} (cont.)

- A landlord must pay interest each year on security deposits and prepaid rent held more than six months. (eff. 1-1-92)
- The rate of interest a landlord must pay is set each year by the City Comptroller. (eff. 7-1-97)
- Before expenses for damages can be deducted from the security deposit, the landlord must provide the tenant with an itemized statement of the damages within 30 days of the date the tenant vacates the dwelling unit.
- A landlord must return all security deposits and required interest, if any, minus unpaid rent and expenses for damages, within 45 days from the date the tenant vacates the unit.
- In the event of a fire, a landlord must return all security deposit and required interest, if any, minus unpaid rent and expenses for damages, within seven days from the date that the tenant provides notice of termination of the rental agreement. (eff. 1-1-92)
- In the event of a sale or any other disposition of residential real property by a landlord, the successor landlord is liable to the tenant for any security deposit or prepaid rent paid to the original landlord. The successor landlord must notify the tenant, in writing, within 14 days from the disposition that the deposit or prepaid rent was transferred to the successor landlord. The original landlord remains liable for the deposit or prepaid rent until the original landlord transfers the deposit or prepaid rent to the successor landlord and provides proper notice of such transfer to the tenant. (Mun. Code Ch. 5-12-080 (e) eff. 5-18-10)
- Subject to correcting a deficient amount of interest paid to a tenant on a security deposit if a landlord fails to comply with specified security deposit requirements the tenant shall be awarded damages in an amount equal to two times the security deposit plus interest. (eff. 10-8-10)

WHAT ARE THE LANDLORD'S GENERAL DUTIES UNDER THE ORDINANCE?

- To give tenant written notice of the owner's or manager's name, address and telephone number. {Mun. Code Ch. 5-12-090}
- Within seven (7) days of being served a foreclosure complaint an owner or landlord of a premises that is the subject of the foreclosure complaint shall disclose, in writing, to all tenants of the premises that a foreclosure action has been filed. The owner or landlord shall also notify of a foreclosure suit, in writing, before a tenant signs a lease. {Mun. Code Ch. 5-12-095 eff.11-05-08}
- To give new or renewing tenants notice of:
 - 1) Code citations issued by the City in the previous 12 months;
 - 2) Pending Housing Court or administrative hearing actions;
 - 3) Water, electrical or gas service shut-offs to the building during entire occupancy. {Mun. Code Ch. 5-12-100}
- To maintain the property in compliance with all applicable provisions of the Municipal Code. {Mun. Code Ch. 5-12-070}
- To not require a tenant to renew an agreement more than 90 days before the existing agreement terminates. (eff. 1-1-92) {Mun. Code Ch. 5-12-130 (i)}
- To provide a tenant with at least 30 days written notice if the rental agreement will not be renewed. If the landlord fails to give the required written notice, the tenant may remain in the dwelling unit for 60 days under the same terms and conditions as the last month of the existing agreement. (eff. 1-1-92) {Mun. Code Ch. 5-12-130 (j)}
- To not enforce prohibited lease provisions. {Mun Code Ch. 5-12-140}

TENANT REMEDIES {MUN. CODE CH. 5-12-110}

Minor Defects

- If the landlord fails to maintain the property in compliance with the Code and the tenant or the tenant's family or guests are not responsible for the failure, the tenant may:
 - 1) Request in writing that the landlord make repairs within 14 days, and if the landlord fails to do so the tenant may withhold an amount of rent that reasonably reflects the reduced value of the unit. Rent withholding begins from the fifteenth day until repairs are made; OR
 - 2) Request in writing that the landlord make repairs within 14 days and if the landlord fails to do so the tenant may have the repairs made and deduct up to \$500 or 1/2 of the month's rent, whichever is more, but not to exceed one month's rent. Repairs must be done in compliance with the Code. Receipt for the repairs must be given to the landlord and no more than the cost of the repairs can be deducted from the rent; and also
 - 3) File suit against the landlord for damages and injunctive relief.

Major Defects

- If the landlord fails to maintain the property in compliance with the Code, and the failure renders the premises not reasonably fit and habitable, the tenant may request in writing that the landlord make repairs within 14 days. If after 14 days repairs are not made, the tenant may immediately terminate the lease. Tenant must deliver possession and move out in 30 days or tenant's notice is considered withdrawn. (eff. 1-1-92)

FAILURE TO PROVIDE ESSENTIAL SERVICES (HEAT, RUNNING OR HOT WATER, ELECTRICITY, GAS OR PLUMBING) {MUN. CODE CH. 5-12-110(f)}

- If, contrary to the lease, an essential service is not provided, or if the landlord fails to maintain the building in material compliance with the Code to such an extent that such failure constitutes an immediate danger to the health and safety of the tenant, and the tenant or tenant's family or guests are not responsible for such failure, after giving written notice, the tenant may do ONE of the following:
 - 1) Procure substitute service, and upon presenting paid receipts to the landlord, deduct the cost from the rent; OR
 - 2) File suit against the landlord and recover damages based on the reduced value of the dwelling unit; OR
 - 3) Procure substitute housing and be excused from paying rent for that period. The tenant may also recover from the landlord the cost of substitute housing up to an amount equal to the monthly rent for each month or portion thereof; OR
 - 4) Request that the landlord correct the failure within 24 hours and if the landlord fails to do so, withhold the monthly rent an amount that reasonably reflects the reduced value of its premises. Rent withholding cannot start until after the 24 hours expires and applies only to days past the 24-hour waiting period; OR (eff. 1-1-92)

- 5) Request that the landlord correct the failure within 72 hours and if the landlord fails to do so, terminate the rental agreement. If the rental agreement is terminated, the tenant must deliver possession and move out within 30 days or the notice of termination is considered withdrawn. (eff. 1-1-92)

Note: Remedies 4) and 5) may not be used if the failure is due to the utility provider's failure to provide service. For the purposes of this section only, the notice a tenant provides must be in writing, delivered to the address the landlord has given the tenant as an address to which notices should be sent. If the landlord does not inform the tenant of an address, the tenant may deliver written notice to the last known address of the landlord or by any other reasonable means designed in good faith to provide written notice to the landlord. (eff. 1-1-92)

FIRE OR CASUALTY DAMAGE {MUN. CODE CH. 5-12-110 (g)}

- If a fire damages the unit to an extent that it is in material noncompliance with the Code and the tenant, tenant's family or guests are not responsible for the fire or accident, the tenant may:
 - 1) Move out immediately, but if this is done, the tenant must provide written notice to the landlord of the intention to terminate within 14 days after moving out.
 - 2) The tenant may stay in the unit, if it is legal, but if the tenant stays and cannot use a portion of the unit because of damage, the rent may be reduced to reflect the reduced value of the unit.
 - 3) If the tenant stays, and the landlord fails to diligently carry out the work, the tenant may notify the landlord, in writing, within 14 days after the tenant becomes aware that the work is not being diligently carried out, of the tenant's intention to terminate the rental agreement and move out.

SUBLEASES {MUN. CODE CH. 5-12-120}

- The landlord must accept a reasonable subtenant offered by the tenant without charging additional fees.
- If a tenant moves prior to the end of the rental agreement, the landlord must make a good faith effort to find a new tenant at a fair rent.
- If the landlord is unsuccessful in re-renting the unit, the tenant remains liable for the rent under the rental agreement, as well as the landlord's cost of advertising.

WHAT HAPPENS IF A TENANT PAYS RENT LATE? {MUN. CODE CH. 5-12-140 (h)}

- If the tenant fails to pay rent on time, the landlord may charge a late fee of \$10.00 per month on rents under \$500 plus 5 percent per month on that part of the rent that exceeds \$500.00 (i.e., for a \$450.00 monthly rent the late fee is \$10.00, for a \$700 monthly rent the late fee is \$10 plus 5% of \$200.00 or \$20.00 total) (eff. 1-1-92)

WHAT HAPPENS IF A TENANT PAYS RENT DUE AFTER THE EXPIRATION OF THE TIME PERIOD SET FORTH IN A TERMINATION NOTICE? {MUN. CODE CH. 5-12-140 (g) CH. 5-12-130 (g)}

- If the landlord accepts the rent due knowing that there is a default in payment, the tenant may stay.

LANDLORD REMEDIES {MUN. CODE CH. 5-12-130}

- If the tenant fails to pay rent, the landlord, after giving five days written notice to the tenant, may terminate the rental agreement.
- If the tenant fails to comply with the Code or the rental agreement, the landlord, after giving 10 days written notice to the tenant, may terminate the rental agreement if tenant fails to correct the violation.
- If the tenant fails to comply with the Code or the rental agreement, the landlord may request in writing that the tenant comply as promptly as conditions permit in the case of emergency, or within 14 days. If the breach is not corrected in the time period specified, the landlord may enter the dwelling unit and have the necessary work done. In this case, the tenant shall be responsible for all costs of repairs.

LOCKOUTS {MUN. CODE CH. 5-12-160}

This section applies to every residential rental unit in Chicago. There are no exceptions.

- It is illegal for a landlord to lock out a tenant, or change locks, or remove doors of a rental unit, or cut off heat, utility or water service, or to do anything which interferes with the tenant's use of the apartment.
- All lockouts are illegal and the Police Department is responsible for enforcement against such illegal activity. (eff. 1-1-92) (Police Special Order 93-12)
- The landlord shall be fined \$200 to \$500 for each day the lockout occurs or continues.
- The tenant may sue the landlord to recover possession of the unit and twice the actual damages sustained or two months' rent, whichever is greater.

PROHIBITION ON RETALIATORY CONDUCT BY LANDLORD {MUN. CODE CH. 5-12-150}

- A tenant has the right to complain or testify in good faith about their tenancy to governmental agencies or officials, police, media, community groups, tenant unions or the landlord. A landlord is prohibited from retaliating by terminating or threatening to terminate a tenancy, increasing rent, decreasing services, bringing or threatening to bring an eviction action, or refusing to renew a lease agreement.

ATTORNEY'S FEES {MUN. CODE CH. 5-12-180}

- Except in eviction actions, the prevailing plaintiff in any action arising from the application of this Ordinance shall be entitled to recover all court costs and reasonable attorney's fees. (eff. 1-1-92)

WHERE CAN I GET A COPY OF THE ORDINANCE?

- For a copy of the Ordinance, visit the Office of the City Clerk, Room 107, City Hall, 121 North LaSalle Street, Chicago, Illinois or view it at the Municipal Reference Library, Harold Washington Library, 5th Floor, 400 S. State Street, Chicago, Illinois.

Approved by the City of Chicago, July 2010

Chicago Rents Right

Good Tenants, Good Landlords, Great Neighborhoods!

For more information, please call 312-742-RENT (7368)



RESIDENTIAL LANDLORD AND TENANT ORDINANCE Rate of Interest on Security Deposits

Municipal Code Chapters 5-12-080, 5-12-081 and 5-12-170

- A landlord must give a tenant a receipt for a security deposit that includes the owner's name, the date it was received and a description of the dwelling unit. The receipt must be signed by the person accepting the security deposit.
- A landlord must pay interest each year on security deposits (eff. 11-6-86) and prepaid rent (eff. 1-1-92) held more than six months.
- The rate of interest that a landlord must pay is set each year by the City Comptroller. (eff. 7-1-97)
- Before a landlord can deduct expenses for damages from the security deposit, the landlord must provide the tenant with an itemized statement of the damages within 30 days of the date the tenant vacates the dwelling unit.
- Within 45 days of the date the tenant vacates the dwelling unit, a landlord must return all security deposit and required interest, if any, minus unpaid rent and expenses for damages.
- In the event of fire, a landlord must return all security deposit and required interest, if any, minus unpaid rent and expenses for damages, within seven days from the date that the tenant provides notice of termination of the rental agreement. (eff. 1-1-92)

Under Chapter 5-12 of the Municipal Code of Chicago sections 5-12-081 and 5-12-082, the City Comptroller shall calculate and announce on the first business day of each year, the rate of interest to be paid on security deposits. As of January 1, 2016 based on information from the City Comptroller's Office, the interest rate to be paid on security deposits is 0.01%. The rate is based upon the average of the rates of interest of the following types of accounts at Chase Bank, which is the commercial bank having the most branches located in the City of Chicago: Savings Account 0.01 percent, insured Money Market 0.01 percent and Six-month Certificate of Deposit (based on a deposit of \$1,000) 0.01 percent.

Security Deposit Interest Rate Jan. 1, 2016 through Dec. 31, 2016: 0.01%

2015: 0.01%	2006: 1.71%
2014: 0.013%	2005: 1.01%
2013: 0.023%	2004: 0.42%
2012: 0.057%	2003: 0.52%
2011: 0.073%	2002: 0.83%
2010: 0.073%	2001: 3.10%
2009: 0.12%	2000: 2.71%
2008: 1.26%	1999: 2.63%
2007: 1.68%	1998: 3.38%

Pre-July 1997: 5.00%

For a copy of the complete Residential Landlord and Tenant Ordinance, visit the Office of the City Clerk, Room 107, City Hall, 121 N. LaSalle St. For a copy of the Residential Landlord and Tenant Ordinance Summary, visit the Department of Planning and Development, 121 N. LaSalle St. #1000, Chicago, IL.



**ORDENANZA DE RESIDENCIAS PARA DUEÑOS E INQUILINOS (ARRENDATARIOS)
Tarifa de Interes en Depositos de Seguridad**

Codigo Municipal, Capitulo 5-12-080, 5-12-081 Y 5-12-170

- El dueño del edificio (propietario) debe darle a su inquilino (arrendatario) un recibo por Depósito de Seguridad que incluya el nombre de la persona, la fecha cuando fue recibido y la descripción de la unidad (casa) que esta rentando. El recibo debe ser firmado por la persona aceptando el depósito de seguridad.
- El dueño del edificio debe pagar interes cada año en el depósito de seguridad (eff. 11-6-86) y renta en la prepagada (eff. 1-1-92) retenida por más de seis meses.
- La tarifa de interés que el dueño del edificio debe pagar es fijada cada año por el Controlador de la Ciudad. (eff. 7-1-97).
- Antes que el dueño del edificio pueda deducir los gastos por daños del deposito de seguridad, el dueño del edificio deberá proporcionar a su inquilino (arrendatario) una declaración detallada de los articulos dañados, dentro de los 30 dias de la fecha que el inquilino (arrendatario) deje vacante la unidad que rentaba.
- Dentro de los 45 dias de la fecha que el inquilino (arrendatario) deje vacante la unidad o casa, el dueño del edificio deberá devolver todos los depósitos de seguridad y el interés requerido, si lo hay, menos la renta sin pagar y los gastos por los daños.
- En el evento de fuego, el dueño del edificio deberá devolver todos los depósitos de seguridad y el interés requerido, si lo hay, menos la renta sin pagar y los gastos por daños, dentro de los siete dias en que el inquilino (arrendatario) proporcionó notificación de terminación del acuerdo de renta. (eff. 1-1-92)

Bajo el Capitulo 5-12 del Codigo Municipal de Chicago, secciones 5-12-081 y 5-12-082, el controlador de la Ciudad debera calcular y anunciar con el primer día de negocios de cada año, la tarifa de interés con la que los depósitos de seguridad serán pagados. Empezando Enero 1, del 2016 basado en la información de la Oficina del Controlador (City Comptroller's Office), la tarifa de interés en depósitos de seguridad es de 0.01 por ciento. Esta tarifa esta basada en un promedio del interés de las cuentas de ahorros regulares de los siguientes tipos de cuentas de Chase Bank, **el cual es el banco comercial que tiene mas sucursales localizadas en la Ciudad de Chicago**: Libras de Ahorros 0.01 por ciento; Dinero Asegurado por la Bolsa 0.01 por ciento; y Certificado de Deposito por seis meses (basado en depósitos de \$1,000) 0.01 por ciento.

**Tarifa de Interes Deposito de Seguridad
Enero 1, 2016 hasta Diciembre 31, 2016: 0.01 %**

2015: 0.01 %	2006: 1.71 %
2014: 0.013%	2005: 1.01%
2013: 0.023%	2004: 0.42%
2012: 0.057%	2003: 0.52%
2011: 0.073%	2002: 0.83%
2010: 0.073%	2001: 3.10%
2009: 0.12%	2000: 2.71%
2008: 1.26%	1999: 2.63%
2007: 1.68%	1998: 3.38%

Antes de Julio 1997: 5.00%

Para una copia de la Ordenanza de Residencias para Dueños e Inquilinos, visite la oficina del City Clerk, Cuarto 107, City Hall, 121 N. LaSalle St. Para una copia del resumen de la Ordenanza de Residencias para Dueños e Inquilinos, visite La Ciudad de Chicago, Departamento de Desarrollo y Planificacion Urbana, 121 N. LaSalle St. #1000, Chicago, IL.