

City of Lake Forest, Illinois
Modified and Temporary Real Estate Transfer Tax Procedures
Update Effective: April 24, 2020

City facilities closed on March 16 to all but emergency services in response to COVID-19 and the Governor's declaration and stay-at-home order. We fully appreciate the challenges that this has posed the real estate community, especially in regards to scheduled closings. City staff have modified operating procedures in light of the circumstances with an emphasis on protecting City staff as well as the public. The City has confirmed that scheduled closings can proceed without a real estate transfer tax stamp. Thus, the parties have the option to wait until City offices reopen to obtain a real estate transfer tax stamp and record the deed.

Recognizing that the duration of facility closures will be extended, we have elected to offer modified procedures that are effective April 1, 2020 and are intended solely to provide an option for those parties wanting to proceed with purchase of a real estate transfer tax stamp during the period City offices are closed. Parties are asked to consider these modified procedures carefully before making a decision to proceed.

Contact information if you have additional questions is provided below:

General information regarding Real Estate Transfer Tax can be found on the City's website at: <https://www.cityoflakeforest.com/i-want-to/apply-for/real-estate-transfer-tax-transaction/>

Seller/Buyer Checklist is available on the City's website at: https://www.cityoflakeforest.com/assets/1/7/Seller_Buyer_Checklist.pdf

Home Inspection – Determination of Whether a Cross Connection Exists Between the Storm and Sanitary Sewer (Seller)

The temporary modified procedures allow for a Waiver/Release on the part of both the seller and buyer from this inspection which is conducted by City staff prior to the issuance of a Transfer Stamp under normal procedures. The Waiver/Release form can be found on page 3 of this document. Please note that the Seller and Buyer must both sign this form, and unlike the Transfer Tax Declaration Form, agents of the Seller and Buyer MAY NOT sign on their behalf.

Contact for information on the Home Inspection: Catherine Czerniak, Community Development Director at: czerniac@cityoflakeforest.com

Final Utility Bill and Outstanding Obligations (Seller)

The Seller must contact the City to arrange for a final utility bill to be prepared and paid before a transfer tax stamp will be issued. **Effective April 24, the City has resumed scheduled meter readings** for the final utility bill. The final utility bill and any amounts due for items such as special garbage pick-up, parking tickets, or other outstanding debts to the City should be paid by the Seller at this time. The Transfer Tax Stamp cannot be purchased until property-related outstanding obligations have been paid. Payment of a final utility bill and other outstanding

obligations can be made by Certified/Cashier's Check, Attorney's/Real Estate Agent Check, Title Company Check or Electronic Transfer of Funds. All checks should be made payable to the "City of Lake Forest." Payment may be deposited in the drop box located to the left of the main entrance of the Municipal Services Facility at 800 Field Drive.

Contact information for Final Utility Bill and Other Obligations: Sara Hartnett at hartnets@cityoflakeforest.com

Real Estate Transfer Tax Document Review (Seller and Buyer)

Seller and/or seller attorney should send completed City Real Estate Transfer Tax Declaration, PTAX203, copy of deed and Home Inspection Waiver/Release form to buyer and/or buyer attorney. Buyer and/or buyer attorney should forward signed City Declaration and all other documents via email to Crystal Edwards at edwardsc@cityoflakeforest.com. These documents may also be mailed, FedEx or UPS to City of Lake Forest, Attn: Finance Department, 800 N Field Dr., Lake Forest, IL 60045. The Declaration is available on the City's website, https://www.cityoflakeforest.com/assets/1/7/LF_Real_Estate_Transfer_Tax_Declaration_Update_3-2-18.pdf.

Contact information for Declaration and Document Review: Crystal Edwards at edwardsc@cityoflakeforest.com

Purchase of Real Estate Transfer Tax Stamp (Buyer)

When document review has been completed, Crystal Edwards will contact the buyer and the stamp will be available for purchase. Payment may be made by Certified/Cashier's Check, Attorney/Real Estate Agent Check, Title Company Check or Electronic Transfer of Funds. All checks should be made payable to the "City of Lake Forest". Payment may be deposited in the drop box located to the left of the main entrance of the Municipal Services Facility at 800 Field Drive. Once payment has been made and processed, the stamp will be mailed via certified mail (signature required), FedEx/UPS (w/prepaid label) to the Buyer or designee, or Buyer/designee may arrange to pick the stamp up at the City's Public Safety Building.

Please note: Due to City facility closures, currently all stamps for which we have payments and required documents are being processed one day per week. Staff is working remotely and accessing City buildings on a very limited schedule.

Exempt Stamps: Please submit a completed City Exempt Declaration, copy of deed and \$50 check payable to the City of Lake Forest. This can be placed in the Municipal Services Building drop box, 800 N Field Dr. or mailed, FedEx/UPS, attention Crystal Edwards, to the same address with a return envelope or prepaid label. The stamp may also be arranged for pick up at the City's Public Safety Building.

Note: Buyer should contact the City of Lake Forest to set up a new utility account and provide contact information. Contact Sara Hartnett at hartnets@cityoflakeforest.com.

Attachment: Home Inspection Waiver/Release Form

RELEASE, WAIVER AND HOLD HARMLESS AGREEMENT

For and in consideration of the City of Lake Forest ("City") issuing real estate transfer stamps without a Certificate of Compliance and without conducting an inspection to determine whether a cross connection exists between the sanitary sewer and storm sewer ("Home Inspection") for the property commonly known as _____, Lake Forest, Illinois ("Property") both the Seller and Buyer listed below hereby covenant not to sue and agree to release, waive, save, defend, indemnify and hold harmless the City, its elected and appointed officials, officers, employees, agents, contractors and the like ("Releasees"), from and against any and all claims, demands, damages, causes of action, suits, actions, judgment, liability, or expense, including, but not limited to, reasonable attorneys' fees and court costs, arising out of or in any manner pertaining to the presence of a cross connection between the sanitary and storm sewers if one exists at the Property and the requirement to eliminate the cross connection in the future. The Seller and Buyer acknowledge that no inspection is being conducted by the City and that they have been advised to have professional inspections done before closing. By executing this Release, the Seller and Buyer each rely on their own professional inspections relative to the presence of a cross connection between the sanitary and storm sewer at the Property. The Seller and Buyer further acknowledge that the inspection is not being conducted due to the provisions of Executive Orders of Governor JB Pritzker related to the COVID-19 pandemic.

Buyer and Seller agree not to sue the City and the Releasees relative to the presence of a cross connection between the sanitary and storm sewer and if one exists at the Property and the requirement to eliminate said connection in the future.

By entering into this Release, Seller and Buyer accept all responsibility for the possible existence of a cross connection between the sanitary and storm sewer at the Property, including but not limited to non-compliance with the City's ordinances and regulations.

The Seller and Buyer are advised to consult with an attorney as to the legal implications and their rights relative to his Release.

THIS DOCUMENT IS TO BE CONSTRUED AS A RELEASE AND WAIVER OF ALL CLAIMS AND AS A COVENANT NOT TO SUE THE CITY OR RELEASEES.

If title to the Property is owned or is to be taken jointly, all Sellers and Buyers of record must sign this Release. If the Property is owned or to be taken in a trust, all beneficiaries of the trust must sign this Release.

SIGNATURES OF SELLER:

PRINTED NAMES:

Dated: _____, 2020

SIGNATURES OF BUYER:

PRINTED NAMES:

Dated: _____, 2020