**Errata**

At Dearborn™ Real Estate Education, we are proud of our reputation for providing the most complete, current, and accurate information in all our products. We are committed to ensuring the kind of quality you rely on. Please note the following changes, which will be reflected in the next printing of *Modern Real Estate Practice in Illinois, Ninth Edition*.

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| **Page/Location** | **Reads Now** | **Should Be** |
| 31, question 12 | Tom, an art history professor from Dubuque, spends a year in Italy, after which he decides to sell his home to live in Rome. If Tom is single, he can expect to claim | Tom, an art history professor owned and lived in a home in Dubuque, Iowa, for the past four years. He spends a year in Italy after which he decides to sell his home in Dubuque and live in Rome. If Tom is single, he can claim |
| 47 | A definite termination date must be included in a brokerage agreement. Automatic extension clauses are illegal under Illinois law. | Licensees are not allowed to obtain a written brokerage agreement that does not expire automatically within a certain time period or provide the client the right to terminate the agreement annually by giving no more than 30 days' advance written notice. Any written brokerage agreement not containing such a provision will be void. |
| 214 | *Mortgage contingency*. The buyer’s earnest money is protected until a lender commits the mortgage loan funds. (This is sometimes called a financing contingency.) | *Mortgage contingency*. Should the buyer be unable to secure financing, the contract will be rescinded. (This is sometimes called a financing contingency.) |
| 236, question 14 | For Illinois courts to recognize a holographic will, the will must | For Illinois courts to recognize a will, the will must |
| 259, third paragraph | Beyond this two-year period, licensees will be required to meet the qualifications for new licenses set out by the Act. | A managing broker licensee, broker, or leasing agent whose license has been expired for more than 2 years but less than 5 years may have it restored by applying to the Department, paying the required fee, completing the continuing education requirements for the most recent pre-renewal period that ended prior to the date of the application for reinstatement, and filing acceptable proof of fitness to have his or her license restored, as set by rule. |
| 259, sixth bullet | The managing broker or broker completes a course of education and passes a test on Illinois-specific real estate brokerage laws | The managing broker or broker passes a test on Illinois-specific real estate brokerage laws |
| 300, first paragraph | All nationally chartered banks must join the Fed and purchase stock in its district reserve banks. The Fed regulates the flow of money and interest rates in the marketplace through its member banks by controlling reserve requirements and discount rates. | All nationally chartered banks must join the Fed and purchase stock in its district reserve banks. Qualified state-chartered banks may also join the Fed. The Fed regulates the flow of money and interest rates in the marketplace through its member banks (and other depository institutions) by controlling reserve requirements and discount rates. |
| 305 | In Figure 16.4, the effect of the term can be seen on an amortized payment and the amount of interest paid. The monthly payment when borrowing $100,000 at 5% interest varies greatly depending on the term of the loan. Though the longer the loan, the cheaper the payment, the more interest one pays over the life of the loan. For instance, on a 10-year repayment of $100,000 at 5%, the mortgagor ends up paying a total of $27,278.62 in interest. In a 30-year loan with the same figures, the total interest would be $93,255.78. | In Figure 16.4, the effect of the term can be seen on the amortized payment of a $100,000 mortgage paid at 5% interest. What is of most concern to a home buyer is their ability to make the monthly payment fit within their PITI, now and in the future. There are many variables at play including the amount of the loan, the interest rate, and the term. |
| 386 | A variance might also be sought to provide relief if existing zoning regulations create a physical hardship for the development of a specific property. For example, if an owner’s lot is level next to a road but slopes steeply 30 feet away from the road, the zoning board may allow a variance so the owner can build closer to the road than setback requirements generally allow. | (Delete) |
| 406, fourth bullet | Owner-occupied apartment buildings of four units or less | Apartment buildings for not more than 4 families living independently of each other, if the owner resides in one of the housing accommodations |
| 417 | In 2008, for example, a Boston property management company agreed to pay a $28,000 penalty and spend nearly $290,000 to replace windows containing lead-based paint. In 2009, a large, nonprofit corporation that develops, finances, and manages affordable, mixed-income housing and nearly two dozen associated property owners agreed to pay a $200,000 penalty and to spend more than $2 million in lead paint abatement at their residential properties. | For example, a Boston property management company agreed to pay a $28,000 penalty and spend nearly $290,000 to replace windows containing lead-based paint. A year later, a large, nonprofit corporation that develops, finances, and manages affordable, mixed-income housing and nearly two dozen associated property owners agreed to pay a $200,000 penalty and to spend more than $2 million in lead paint abatement at their residential properties. |
| 466 | A fraction has two parts: the nominator (the number above the line) and the denominator (the number below the line) (see Figure 24.1). | A fraction has two parts: the numerator (the number above the line) and the denominator (the number below the line) (see Figure 24.1). |
| 469 | Interest rate tables, such as the one in Figure 16.4, can be used to shortcut some of the steps involved in computing monthly payments of principal and interest. Such tables can be used to determine interest payments. They also can be used to tell the potential investor how much of the principal balance must be paid to pay down the loan balance over a given number of payments, called amortization. | Interest rate tables and loan amortization calculators which can be found online can be used to shortcut some of the steps involved in computing monthly payments of principal and interest. Such tables and calculators can be used to determine interest payments. They also can be used to tell the potential investor how much of the principal balance must be paid to pay down the loan balance over a given number of payments, called amortization. |
| 469 | FOR EXAMPLE What is the monthly payment on a loan for $250,000 for 30 years at a 4 1/8% if the loan is to be fully amortized by the end of that time?According to Figure 16.4, a loan of $1,000 at 41⁄8% for 30 years requires a payment of $4.85 per month to be completely paid in that time. The monthly payment on a $250,000 loan is as follows:$4.85 × 250 = $1,212.50 | (Delete) |
| 482, question 54 | d. no valid agreement exists because the man’s counteroffer was not withdrawn within 24 hours. | d. no valid agreement exists because the man’s counteroffer cancelled the woman’s original offer and, once rejected, it cannot be re-accepted. |
| 501 | The monthly rent on a warehouse is $1.85 per square foot. Assuming the warehouse is 36 feet by 200 feet, what is the annual rent? | The monthly rent on a warehouse is $1.85 per square foot. Assuming the warehouse is 36 feet by 200 feet, what is the total monthly rent? |
| 530 | holographic will A will that is written, dated, and signed in the testator’s handwriting. | (Delete) |
| 544, Unit 6, question 1 | c (88) | b (88) |
| 544, Unit 6, question 2 | d (88) | c (88) |
| 544, Unit 6, question 3 | c (109) | a (109) |
| 544, Unit 6, question 4 | a (88) | c (88) |
| 544, Unit 6, question 5 | b (94) | c (94) |
| 544, Unit 6, question 6 | c (79) | a (79) |
| 544, Unit 6, question 8 | c (91-92) | d (91-92) |
| 544, Unit 6, question 9 | c (88) | a (88) |
| 544, Unit 6, question 10 | a (94) | b (94) |
| 544, Unit 6, question 11 | a (76) | c (76) |
| 544, Unit 6, question 12 | d (91-93) | c (91-93) |
| 544, Unit 6, question 14 | b (94) | c (94) |
| 544, Unit 6, question 15 | c (89) | b (89) |
| 544, Unit 6, question 17 | a (90) | c (90) |
| 544, Unit 6, question 18 | c (108) | d (108) |
| 544, Unit 6, question 19 | b (102) | c (102) |
| 544, Unit 6, question 20 | c (88) | a (88) |
| 550, question 54 | d (189-190) | d (190-191) |
| 550, question 83. | b | c |
| 551, question 25 | d (329) | b (330) |
| 551, question 32. | c | b |

**First Revision**

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| 162, before IN PRACTICE |  | NOTE: The Timeshare Act was repealed in 2018. |
| 262, last paragraph | No partnership, limited liability company, or corporation shall be licensed to conduct a brokerage business where an individual broker or leasing agent, or group of brokers or leasing agents owns | No partnership, limited liability company, or corporation shall be licensed to conduct a brokerage business where an individual leasing agent, or group of leasing agents owns |
| 300 | All nationally chartered banks must join the Fed and purchase stock in its district reserve banks. The Fed regulates the flow of money and interest rates in the marketplace through its member banks by controlling reserve requirements and discount rates. | All nationally chartered banks must join the Fed and purchase stock in its district reserve banks. Qualified state-chartered banks may also join the Fed. The Fed regulates the flow of money and interest rates in the marketplace through its member banks (and other depository institutions) by controlling reserve requirements and discount rates. |
| 309, 2nd to last paragraph | The borrower is charged a **mortgage insurance premium (MIP)** for all FHA loans. The *up-front premium* is charged at closing and can be financed into the mortgage loan. | The borrower is charged a **mortgage insurance premium (MIP)** for all FHA loans. The *up-front premium* is charged on all FHA loans. |
| 347, margin note |  | An individual business entity with a broker license can assist the public in sales or leasing transactions involving all types of real property. However, only a managing broker license allows someone to supervise or sponsor other licensees and to collect compensation for brokerage services. Unlike brokers and managing brokers, leasing agents can only engage in activities directly associated with residential leasing. Leasing agents cannot perform these activities if the property being leased is commercial property. |
| 384, bottom of page | Any land-use legislation that is destructive, unreasonable, arbitrary, or confiscatory is usually considered void. Furthermore, zoning ordinances must not violate the various provisions of the state’s constitution. Commonly applied tests in determining the validity of ordinances require thatIt is sometimes very difficult to determine what level of compensation is fair in any particular situation. The compensation may be negotiated between the owner and the government, or the owner may seek a court judgment setting the amount.~~■ power be exercised in a reasonable manner;~~~~■ provisions be clear and specific;~~~~■ ordinances be nondiscriminatory;~~~~■ ordinances promote public health, safety, and general welfare under the police power concept; and~~~~■ ordinances apply to all property in a similar manner.~~ | Any land-use legislation that is destructive, unreasonable, arbitrary, or confiscatory is usually considered void. Furthermore, zoning ordinances must not violate the various provisions of the state’s constitution. Commonly applied tests in determining the validity of ordinances require that■ power be exercised in a reasonable manner;■ provisions be clear and specific;■ ordinances be nondiscriminatory;■ ordinances promote public health, safety, and general welfare under the police power concept; and■ ordinances apply to all property in a similar manner.It is sometimes very difficult to determine what level of compensation is fair in any particular situation. The compensation may be negotiated between the owner and the government, or the owner may seek a court judgment setting the amount. |
| 391, right before SUMMARY |  | NOTE: The Land Sales Registration Act was repealed in 2018. |
| 417, IN PRACTICE | In 2008, for example | For example |
| 417, IN PRACTICE | In 2009, a large | A year later, a large |