



BUILDINGS
CEDAR RAPIDS, IA
M. 44,378

DEC 1988

Void where inhibited

Environmental disclosure laws taking effect for real estate and corporate transactions after January 1, 1990, in Indiana and Illinois will require sellers of high-risk properties to file and record an extensive disclosure document prior to the closing.

The legislation reflects a growing trend by state legislators to aggressively address liabilities prior to property transfers. Laws may also serve to protect unwary lenders and property buyers from future liabilities for pollution clean-up costs, according to Larry Schnapf, attorney for the Environmental Practice Group, Lord, Day & Lord, a law firm based in New York.

Failure to file will subject sellers to stiff fines and allow both buyers and lenders to void the transaction. ■