

PURCHASE AGREEMENT

THIS PURCHASE AGREEMENT is made by _____
_____, whose address is _____
_____ ("Seller"), and _____
_____, whose address is _____
_____ ("Buyer").

The parties to this agreement to convey real estate agree as follows:

1. **Description of Property.** Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller certain improved real property commonly known as _____ (address) legally described as _____ with PP# _____ together with all improvements, fixtures, easements, appurtenances, mineral rights, riparian rights and rights of adverse possession and/or acquiescence used, acquired or otherwise existing in connection with the real property. The real property is located in the **Township of _____ County, Michigan.** All real and personal property interests sold and purchased pursuant to this Agreement are collectively referred to as the "Premises."

2. **Purchase Price.** The purchase price for the Premises is _____ & 00/100 Dollars (\$ _____) (the "Purchase Price").

3. **Terms:** The Terms of Purchase will be as indicated by "X" below.
SOURCE OF FUNDS TO CLOSE: Buyer represents that the funds necessary to close this transaction on the terms specified below are currently available to Buyer in cash or an equally liquid equivalent.

CASH The full purchase price upon execution and delivery of a Warranty Deed.

NEW MORTGAGE The full purchase price upon execution and delivery of a Warranty Deed, contingent upon Buyer's ability to obtain a _____ (type) (Year) mortgage in the amount of _____% of the sale price bearing interest rate not to exceed _____% per annum, on or before the date the sale is to be closed. Buyer agrees to apply for a mortgage loan, and pay all fees and costs customarily charged by Buyer's lender to process the application, within _____ days after this Agreement is fully executed, not to impair the Buyers' credit after the date hereof, and to accept such loan if offered. Should any part of the new mortgage be FHA/VA insured, Seller/Buyer (**Circle one**) will agree to pay an amount not to exceed \$ _____, representing repairs required as a condition of financing.

SELLER FINANCING – Land Contract \$ _____ upon execution and delivery of a Land Contract and Memorandum of Land Contract forms, wherein the balance of \$ _____ will be payable in monthly installments of \$ _____ or more included interest at _____% per annum,

interest to start on date of closing, and first payment to become due thirty (30) days after date of closing. The entire unpaid balance will become due and payable _____ months after closing.

4. **Contingencies:** The Buyer's obligation to consummate this transaction (check one):

Is Not Contingent – is not contingent upon the sale or exchange of any other property by Buyer;

Is Contingent Upon Closing – is contingent upon closing of a sale or exchange of Buyer's property located at: _____, on or before _____

5. **Fixtures and Personal Property.** All fixtures are included in this sale at no additional cost to Buyer. These items include, without limitation, the following, if now in or on the Premises: plumbing, heating and lighting fixtures; drapery and curtain hardware; window shades and blinds; built-in kitchen appliances; wall-to-wall carpeting, if attached; all attached mirrors and bathroom mirrors; stationary laundry tubs; water softener, water heater; heating and air conditioning equipment (window units excluded); ceiling fans; built in gas grills; water pump and pressure tank; TV antenna; screens, storm windows and doors; awnings; mailbox; all plantings; garage door openers and controls; fireplace screen and grate; and locks and keys. The following personal property is also included in the sale at no additional cost to Buyer:

6. **Inspections.** If Buyer so desires, Buyer shall arrange and pay for inspections by qualified inspectors for the furnace, well, plumbing and septic system, if any, and any other inspections Buyer may desire. If the furnace, well, plumbing or septic system are not in proper condition and working order, Buyer shall have the option of terminating this Agreement within ten (10) days after the Effective Date of this Agreement.

7. **Well/Septic:** Within ten (10) after this Agreement is fully executed, the Seller will arrange and pay for an inspection and written report by the County Health Department or a mutually agreed upon qualified inspector, if allowed by the Health Department, of the primary well (including a water quality test) and septic systems (including tank pumping) in use on property. If the Wells and/or Septic Systems are found not to be in proper condition and working order, or if the well water does not meet current quality standards as determined by local health authorities, repairs and/or replacements necessary to correct the problem shall be completed in a good and workmanlike manner and shall conform with local health regulations at Seller's Expense. Seller shall have the right to terminate this agreement if the cost exceeds: \$_____. EXCEPTIONS: _____

8. **Survey.** If Seller has a copy of a survey of the Premises, Seller shall provide Buyer with a copy of Seller's survey of the Premises within ten (10) days of the Effective Date of

this Agreement. If the Seller does not have a copy of an existing survey: The Buyer has elected to obtain:

- A Boundary Survey certified to Buyer with iron corner stakes and with improvements and easements located on a map of survey.
- A Surveyor's Report or Sketch (Not a boundary survey), re-certified to Buyer showing the approximate locations of improvements.
- No Survey

Survey to be paid for by:

- Buyer
- Seller

9. **Seller's Disclosure Statement.**

- Buyer has received Seller's Disclosure Statement Dated _____
- Buyer has not received Seller's Disclosure Statement, and Buyer's obligations under this contract are subject to Buyer's receipt of Seller's Disclosure Statement and acceptance of Seller's Disclosure Statement within 72 hours after receipt.

10. **Lead-Based Paint.** Seller has complied with the Residential Lead-Based Paint Hazard Reduction Act of 1992 by disclosing to Buyer any information Seller has about the existence of lead-based paint in the Premises and has provided Buyer with a copy of the lead-based paint hazard pamphlet entitled *Protect Your Family from Lead in Your Home*. Buyer has waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint or lead-based paint hazards.

11. **Taxes and Special Assessments.** Seller will be responsible for any taxes billed prior to those addressed below. Buyer will be responsible for all taxes billed after those addressed below. Buyer is also advised that the State Equalized Value of the property, principal residence exemption information and other real property tax information is available from the appropriate local assessor's office. Buyer should not assume that buyer's future tax bills on the property will be the same as the seller's present tax bills. Under Michigan law, real property tax obligations can change significantly when property is transferred.

- No proration (Choose One):
 - Buyer Seller will pay taxes billed summer _____ (year)
 - Buyer Seller will pay taxes billed winter _____ (year)
- Calendar Year Proration: Calendar year tax levies will be estimated, if necessary, using the taxable value and the millage rate(s) in effect on the day of closing, broken down to a per diem tax payment and prorated to the date of closing with Seller paying for January 1 through the day of closing.
- Fiscal Year Proration: Taxes will be prorated as through they are paid in advance with the fiscal year due dates to cover a 12 month date billed, and taxes will be prorated to the day of closing. Summer taxes to cover July 1st to June 30th and Winter taxes to cover December 1st to November 30th.

12. **Prorations:** Any dues or association fees, rent, or any agreement assumed by Buyer will be prorated and adjusted at the date of closing. Seller hereby assigns their responsibilities under any applicable restriction of use agreement for the property to Buyer. Buyer accepts this assignment and assumes those responsibilities.

13. **Assessments**

- Seller Shall pay the entire balance of any such assessments on or before the day of closing.
- Seller shall pay all installments of such assessments that become due and payable on or before day of closing. Buyer shall assume and pay all other installments of such assessments.

14. **Title Insurance.** At Seller's expense, Seller shall provide Buyer with a expanded coverage ALTA Homeowner's policy of title insurance in the amount of the Purchase Price, effective as of the date of closing and shall provide Buyer with a commitment for the policy within ten (10) days after the Effective Date of this Agreement. If the title insurance commitment discloses any matter that is unacceptable to Buyer, Buyer may terminate this Agreement within ten (10) days after Buyer's receipt of the title insurance commitment.

15. **Closing.** This sale shall be closed within ten (10) days after all necessary documents are prepared and all conditions are satisfied, but no later than _____. If the closing of the sale is delayed because of title defects which can be readily corrected, or because of delays in arranging financing or obtaining inspection reports, the closing may be delayed for an additional period of fifteen (15) days beyond the deadline set forth above for closing. Buyer and Seller agree to pay for their actual closing costs as outlined by the title agency at close.

16. **Possession.** Possession to be delivered on _____ (date) in substantially similar to the conditions at inspection. Seller may occupy until delivery. Seller will remove all personal property, make arrangements for final payment of utilities, and deliver all keys to Buyer at the date of delivery.

17. **Earnest Money; Default.** Buyer will deposited with Seller the sum of \$ _____ as earnest money to apply on the Purchase Price. If title to the Premises is not marketable or if any condition set forth in this Agreement is not satisfied, the earnest money shall be promptly refunded to Buyer, this Agreement shall be of no further effect and neither party shall owe any liability to the other in connection with this Agreement. If Buyer defaults, the earnest money shall be forfeited to Seller as liquidated damages or, at Seller's option, Seller may retain the earnest money and pursue Seller's legal and/or equitable remedies against Buyer. If Seller defaults, Buyer shall be entitled to the prompt return of Buyer's earnest money deposit as its exclusive remedy against Seller. If either party defaults, the other party shall be entitled to exercise any and all available remedies. If a lawsuit is commenced, the prevailing party shall be entitled to recover from the other party, promptly after demand

therefore, all reasonable attorney fees and costs incurred in connection with prosecuting or defending the lawsuit.

18. **Commissions.** Each party represents to the other that no real estate salesperson, broker or other third party was involved in this transaction to whom either party could incur liability for a commission or other compensation. Each party agrees to indemnify the other party and hold the other party harmless against any breach of the indemnifying party's representation. EXCEPTION: _____

19. **Notices.** All notices required or permitted by this Agreement shall be in writing and, except as may otherwise be provided, shall be deemed to be served on the earlier of the date of mailing by first class mail, postage prepaid, addressed to the other party at the other party's last known address or the date of hand delivery to the other party.

20. **Municipality Compliances.** The Seller will arrange and pay for current certificates of occupancy, sidewalk compliance, and smoke detector ordinances, if applicable.

21. **Effective Date.** This Agreement shall become effective when executed by all of the parties listed below (the "Effective Date").

22. **Other Provisions:**

23. **Buyer's Acknowledgement:** Buyer hereby acknowledges receipt of a copy of this Agreement.

BUYER:

Date: _____

(Print name as you want it to appear on documents)

(Print name as you want it to appear on documents)

Buyer(s) Address: _____

Buyer(s) Phone: _____ Buyer(s) Marital Status: _____

Buyer(s) E-mail Address: _____

24. **Seller's Acceptance:** The Above Offer is Hereby Accepted as Written or
 As Written Except:

25. **Seller's Acknowledgement:** Seller has read this agreement and acknowledges receipt of a copy.

Seller:

Date: _____

(Print name as you want it to appear on documents)

**EXHIBIT A
TO PURCHASE AGREEMENT**

Legal Description of Premises