

Purchase Agreement

THIS IS A LEGALLY BINDING CONTRACT, IF NOT UNDERSTOOD, SEEK LEGAL COUNSEL

1. **OFFER TO PURCHASE** – The undersigned, hereinafter known as “Buyer(s)” hereby agrees to purchase property commonly known as: _____ and legally described as: _____

(Property size and square footage of all structures located herein are approximate and not guaranteed.) Tax I.D. # _____ and located in the [] City [] Village [] Township of _____, County of _____, Michigan. Purchaser accepts all existing building and use restrictions, deed restrictions, easements and zoning ordinances, if any, and to pay therefore, the sum of _____ dollars (\$ _____).

2. **TERMS OF PURCHASE**- As indicated by “X” below, (other unmarked terms do not apply). Payment of the cash portion of the purchase price is to be a cashier’s check or certified funds.

- Cash Sale:** The full purchase price payable in the form of a cashier’s check or certified funds upon the delivery of a recordable Warranty Deed conveying title in the condition provided for herein. Funds to be verified on or before _____. In the event Buyer(s) does not provide the Seller(s) with verified funds by the date provided, the Seller(s) may terminate this agreement by a written notice to the Buyer(s).
- New Mortgage:** The full purchase price upon the delivery of a recordable Warranty Deed conveying title in the condition provided for herein. Contingent upon property appraising for a minimum of sales price, if required and Buyer(s)’s ability to obtain a _____ mortgage, at no cost to the Seller(s) unless agreed to in writing, amortized for no less than _____ years, in the amount of _____% of purchase price, which Buyer(s) agrees to make written application by **(Date)** _____, at _____ **(AM/PM)**.

In the event that the Buyer(s) does not make written application for financing by the date provided above, the Seller(s) may terminate this agreement by written notification to the Buyer(s).

Buyer(s) to provide Seller(s) with a written ***mortgage commitment*** (*Defined as:* In regards to the loan applied for, the Lender has examined and underwritten the loan regarding the Buyer(s)’s credit, income, reserves, and qualifying ratios.) by **(Date)** _____, at _____ **(AM/PM)**. In the event Buyer(s) does not provide the Seller(s) with a written mortgage commitment by the date provided above, the Seller(s) may terminate this agreement by a written notice to the Buyer(s).

Buyer(s) to provide Seller(s) with a written ***clear to close*** (*Defined as:* All approval conditions have been satisfied, the loan is approved and funds are available to close.) by **(Date)** _____, at _____ **(AM/PM)**. In the event Buyer(s) does not provide the Seller(s) with a written clear to close by the date provided above, the Seller(s) may terminate this agreement by a written notice of termination to the Buyer(s).

Any extensions to the above time frames must be in writing and agreed to by both parties to be valid.

- Sale to Existing Mortgage or Land Contract:** Upon execution and delivery of
- A recordable Warranty Deed and subject to existing mortgage.
 - Assignment of vendee’s interest in land contract.

Buyer(s) to pay the difference (approximately \$ _____) between the purchase price and the balance as of day of closing, of said mortgage or land contract bearing interest at _____% per annum and with monthly payments of \$ _____ which do ___ do not ___ include tax and/or insurance, which Buyer(s) assumes and agrees to pay.

Buyer(s) agrees to reimburse Seller(s) for any funds held in escrow. Buyer(s) to pay all taxes and insurance costs if not included in the monthly payment stated above (see paragraph 8). **SELLER(S) UNDERSTANDS THAT THE SALE OR TRANSFER OF THE PROPERTY DESCRIBED IN THIS AGREEMENT MAY NOT RELIEVE THE SELLER(S) OF ANY LIABILITY THAT SELLER(S) MAY HAVE UNDER THE MORTGAGES OR LAND CONTRACT(S) TO WHICH THE PROPERTY IS SUBJECT, UNLESS OTHERWISE AGREED TO BY THE LENDER OR VENDOR OR REQUIRED BY LAW OR REGULATION.**

- Land Contract:** The down payment of _____ Dollars (\$ _____) and the execution of a _____ land contract, acknowledging payment of that sum and calling for the payment of the remainder of the purchase money of \$ _____ in _____ payments of _____ or more, which (SHALL/SHALL NOT) include interest payment at the rate of _____ % percent per annum, and which (SHALL/SHALL NOT) include prepaid taxes and insurance. The contract shall be paid in full on or before _____ years from the date of sale. Buyer(s) agrees to provide Seller(s) a recent credit report on or before _____, which must be approved or rejected in writing by the Seller(s) within _____ days of receipt of said credit report. In the event Buyer(s) does not provide the Seller(s) with a written credit report by the date provided above, the Seller(s) may terminate this agreement by a written notice to the Buyer(s).
3. **CLOSING FEES-** The closing fee charged by the closing agent shall be paid by: [] Buyer [] Seller [] Split equally (50/50).
4. **PURSUANT TO THE ABOVE IDENTIFIED TERMS OF PURCHASE, SELLER(S) AND BUYER(S) AGREE TO CLOSE ON OR BEFORE _____ (DATE) UNLESS OTHERWISE MUTUALLY AGREED IN WRITING. BUYER(S) AND SELLER(S) HAVE A RIGHT TO REQUEST A COMPLETE COPY OF CLOSING DOCUMENTS 48 HOURS PRIOR TO CLOSING.**
5. **FIXTURES AND IMPROVEMENTS-** All improvements and fixtures are included in the purchase price including, if now in or on the property, the following: all buildings, landscaping; lighting fixtures and their shades and bulbs; ceiling fans; drapery and curtain hardware; window coverings; shades and blinds; built-in kitchen appliances, including garbage disposal, drop-in ranges and range hoods; wall to wall carpeting, if attached; all attached mirrors; all attached shelving; attached work benches, stationary laundry tubs; water softener (unless rented); water heater; sump pump; water pump and pressure tank; heating and air conditioning equipment (window units excluded); attached humidifiers; heating units, including add-on wood stoves and wood stoves connected by flue pipe; fireplace screens; inserts and grates; fireplace doors, if attached; liquid heating and cooking fuels in tank(s) at time of transfer of possession (tanks will not be empty unless now empty); liquid heating and cooking fuel tanks if owned by Seller(s); TV antenna and complete rotor equipment; all support equipment for in ground pools; screens and storm windows and doors; awnings; basketball backboard and goal; mailbox; fences; detached storage buildings; underground sprinkling, including the pump; installed outdoor grills; all plantings and bulbs; garage door opener and control(s); and any and all items and fixtures permanently affixed to the property.
Exclusions: _____
- See attached Bill of Sale/ Personal Property Statement**
6. **Title-** As evidence of title, Seller(s) agrees to furnish Buyer(s) at Seller(s) cost, a title commitment and after closing, a policy of title insurance issued by Sargent's Title Company, LLC in an amount not less than the purchase price, bearing date later than the acceptance hereof and insuring the title in marketable condition. Any additional expenses incurred in obtaining a Without Exceptions Title Policy will be the responsibility of the Buyer(s). **Title Objections:** If objection to the title is made, based upon written opinion of the Buyer(s)'s attorney that the title is not marketable as required for performance hereunder, the Seller(s) shall have thirty (30) days from the date they are notified in writing of the particular defects claimed, either (1) to remedy the title, or (2) if unable to remedy the title, to refund the deposit in full termination of this agreement. If the Seller(s) remedies the title within the time specified, the Buyer(s) agrees to complete the sale.
7. **POSSESSION-** Possession to be given [] immediately following closing; [] _____ days after closing by 12:00 noon; subject to rights of tenants, if any. Seller(s) agrees to pay Buyer(s) rent (which commences the day of closing), during time of Seller's occupancy after closing [] \$ _____ per day; [] at an amount prorated per day equal to Buyer(s) monthly payment including principal, interest, taxes, insurance, condominium dues and association dues.
- a. At the time of possession, the Seller(s) agree to have the property free and clear of trash, debris and in "broom clean" condition. Seller will maintain utilities and property in its present condition until time of possession including but not limited to lawn care and snow removal. Buyer(s) acknowledges responsibility of transferring all utilities the day possession is given.
 - b. Any notification received by the Seller(s) pertaining to the property must be disclosed to the Buyer(s) prior to closing.
 - c. If Seller(s)'s Tenants occupy the property, then:
 - [] Seller(s) will have the tenants vacate the property before closing.
 - [] Buyer(s) will be assigned all Landlord rights and security deposit and rents pro-rated to date of closing, with Buyer(s) assuming Landlord rights and obligations the day of closing.

8. **TAXES**- TAXES ARE PRORATED BASED UPON THIS AGREEMENT BETWEEN THE BUYER(S) AND THE SELLER(S). Seller(s) agrees to pay all taxes, fees, and assessments that are a lien against the premises as of the time of closing. Further, at closing, the immediately previous December and July, if any, **tax bills will be prorated as paid in advance** based upon the current year of January 1st through December 31st and July 1st through June 30th respectively, unless otherwise agreed to herein. **Other:** _____

9. **LOCAL MUNICIPALITIES' TAXES MAY BE BASED ON DIFFERENT DUE DATES AND HAVE NO EFFECT ON TAX PRO- RATIONS AGREED UPON IN THIS PURCHASE AGREEMENT.**

Buyer(s) acknowledge that they are responsible for all real estate tax bills due after date of closing.

The Personal Residence Exemption Status of the above named property and the potential property assessment increase due to change of ownership should be verified by Buyer(s) with the taxing entity.

10. **BUYER(S) AGREES** that they have examined the before identified property, the Seller(s)'s property disclosure, if applicable and agrees to accept the same "AS IS" unless otherwise hereafter specified: _____

11. **ALL REQUESTED INSPECTIONS AND TESTS BELOW MUST BE COMPLETED BY** _____ **(DATE)**

12. **UNLESS OTHERWISE AGREED TO BELOW.** If not satisfied with the condition of the property, the Buyer(s) shall notify the Seller(s) in writing with a copy of the inspection report(s) if requested specifying any defective or unsatisfactory condition(s), no later than 5 calendar days following inspection. **If no written notice of a defective condition is received or no inspection or test is held within the time allotted, the right to inspect shall be deemed waived and the Buyer(s) accepts the property "as is".** In the event of a timely and valid notice of unsatisfactory defect or unsatisfactory test result, the Buyer(s) shall have the option to request Seller(s) to correct the defect, or terminate this agreement with full refund of the Earnest Money Deposit to the Buyer(s). In the event Buyer(s) requests a correction of the defect, Seller(s) has the option to **notify in writing within 5 calendar days of said notice** agreeing to correct the defect as outlined above or the **Buyer(s) Earnest Money Deposit will be returned in full termination of this agreement.**

a. Yes No **WELL/WATER TEST:** Sale subject to Buyer(s)'s receipt and satisfaction of well /water test.
Test to be paid by: Seller(s) Buyer(s)

b. Yes No **SEPTIC TEST:** Sale subject to Buyer(s) receipt and satisfaction of septic test.
Test to be paid by: Seller(s) Buyer(s)

c. Yes No **RADON TEST:** Sale subject to Buyer(s)'s receipt and satisfaction of radon test.
Test to be paid by: Seller(s) Buyer(s)

d. Yes No **PERCOLATION TEST:** Sale subject to Buyer(s)'s receipt and satisfaction of perk test.
Test to be paid by: Seller(s) Buyer(s)

e. Yes No **INFESTATIONS TEST FOR WOOD DESTROYING INSECTS:** Sale subject to Buyer(s)'s receipt and satisfaction of infestations test for wood destroying insects by licensed contractor.
Test to be paid by: Seller(s) Buyer(s)

f. Yes No **SURVEY:** Sale subject to Buyer(s)'s receipt and satisfaction of a
 MORTGAGE Yes No **STAKE** Yes No
Survey to be paid by: Seller(s) Buyer(s)

g. Yes No **HOME INSPECTION:** Sale subject to Buyer(s) receipt and satisfaction of inspection
Inspection to be paid by: Seller(s) Buyer(s) To be completed by: _____ (date)

h. Yes No **OTHER INSPECTION OF:** _____
Test to be paid by: Seller(s) Buyer(s)

NOTICE: If mortgage report (survey) is required by mortgage lender, said lender may deny financing due to easements, encroachments or other unforeseen circumstances. Buyer(s) shall be required to pay for said inspection unless otherwise agreed to in writing.

NOTICE: Lender may require the above-mentioned inspection(s) as a condition of financing. If checked "no" and lender requires this report, Buyer(s) shall be required to pay for said inspection unless otherwise agreed to in writing.

LENDER REQUIRED REPAIRS, if any, shall be paid by:

Seller(s) not to exceed \$ _____. Buyer(s) not to exceed \$ _____.

i. Yes No **HOME WARRANTY**
Paid for by: Seller Buyer

13. **RECEIPT OF DISCLOSURES**-Buyer(s) acknowledge that they have received copies of the following: Lead Based Paint Seller(s)'s Disclosure Land Division Act, P.A. 87 Exempt under Sellers Disclosure Act #92 of 1993.

14. **"TIME IS OF THE ESSENCE"**- With respect to this agreement, the parties agree that no extensions of time limits are binding unless specifically agreed to in writing. This agreement shall be construed without regard to the party or parties responsible for its preparation.

15. **DEFAULT**-In the event Seller(s) or Buyer(s) defaults in the completion of this transaction, Seller(s) or Buyer(s) may pursue his or her legal or equitable remedies. In the event of Buyer(s) default, the earnest money deposit shall be forfeited.

16. **DEPOSIT**-The Buyer(s) herewith deposit the sum of _____ Dollars (\$ _____) in the form of _____, as goodwill or earnest money that Buyer(s) will comply with the terms and conditions hereof and within the time limited therefore, which sum is to be credited on the purchase price in the event the sale is completed or refunded forthwith if offer is not accepted by Seller(s) making this agreement null and void.

17. **RECEIPT**- Seller(s) on this date, acknowledges receipt from the Buyer(s) of the amount of earnest money herein before mentioned. All deposits are to be held by the Seller(s), unless otherwise specified, in accordance with the terms hereof and in accordance with the current regulations of the Michigan Department of Consumer and Industry Services. Or unless otherwise specified: _____

18. **SARGENT'S TITLE COMPANY TO ACT AS ESCROW AGENT**- If the deposit is held by Sargent's Title Company, the parties to this Offer To Purchase agree as follows:
a. In the event the parties do not complete this transaction the monies held in escrow shall be released by mutual consent of both parties or by an order of the court only.
b. In the event this transaction does not occur and the monies are released in accordance with sub paragraph a. above, the sum of \$400 shall be retained by Sargent's Title Company for services rendered.
c. If this paragraph is used this document must be acknowledged by escrow agent.

Date _____ By _____
SARGENT'S TITLE COMPANY

19. **OTHER TERMS AND CONDITIONS**- _____

20. **AGREEMENT**: The Buyer(s) and Seller(s) agree that they have read this document and understand thoroughly the contents herein and agree that there are no different or additional written or verbal understandings. The covenants herein, shall also bind the heirs, personal representatives, administrators, executors, assigns and successors of the respective parties. This entire agreement supercedes any and all understandings and agreements. **The Buyer(s) and the Seller(s) agree that a facsimile transmission or electronic signature of any original document shall have the same effect as an original. Any signature required on an original shall be considered complete when a facsimile copy has been signed.**

21. **ACKNOWLEDGEMENT**- Buyer(s), by signing this offer, further acknowledges receipt of a copy of this written offer.

Buyer(s) has the right to rescind this offer in writing until notice is given to Buyer(s) of acceptance. If notice of acceptance of this offer by the Seller(s) is not given by **(Date)** _____ at _____ **AM/PM**, this offer will expire and be of no further force and effect.

Buyer: Print Name **Marital Status** **Buyer: Signature** **(Date)** _____

Buyer: Print Name **Marital Status** **Buyer: Signature** **(Date)** _____

Address: _____ **City:** _____ **State:** _____ **Zip:** _____ **Phone:** _____

Witness _____

22. **SELLER(S)'S ACCEPTANCE**- Seller(s)'s hereby accept the Buyer(s)'s offer and acknowledge receipt of a copy of this agreement.

Seller: Print Name **Marital Status** **Seller: Signature** **(Date)** _____

Seller: Print Name **Marital Status** **Seller: Signature** **(Date)** _____

Address: _____ **City:** _____ **State:** _____ **Zip:** _____ **Phone:** _____

Witness _____

23. **COUNTER OFFER**- This Purchase Agreement is amended as follows: _____

Seller(s) has the right to rescind this offer in writing and accept other offers until notice is given to Seller(s) of Buyer(s) acceptance. If notice of acceptance of this offer by the Buyer(s) is not given by **(Date)** _____ at _____ **AM/PM**, this offer will expire and be of no further force and effect.

Seller: Print Name **Marital Status** **Seller: Signature** **(Date)** _____

Seller: Print Name **Marital Status** **Seller: Signature** **(Date)** _____

Address: _____ **City:** _____ **State:** _____ **Zip:** _____ **Phone:** _____

24. **BUYER'S ACCEPTANCE OF COUNTER OFFER**- **(Date)** _____, at _____ **AM/PM**. In the event the acceptance was subject to certain changes from Buyer(s)'s offer, Buyer(s) agrees to accept said changes, and all other terms and conditions remain unchanged.

Buyer: Signature

Buyer: Signature

Witness

Date