

Real Estate Sale/Purchase Contract

THIS IS AN IMPORTANT LEGAL DOCUMENT. ALL PARTIES ARE ADVISED TO SEEK THE ADVICE OF AN ATTORNEY IN CONNECTION WITH THE EXECUTION OF THIS CONTRACT.

This Contract made the _____ day of _____, 20_____,

Is by and between _____ ("Seller")

Address: _____ and

_____ ("Purchaser")

Address: _____

1. CRITERIA

1.1 Sale; Property. Seller agrees to sell and convey, subject to easements and restrictions of record, and subject to the lien of taxes not yet due and payable at time of closing, and

Purchaser agrees to purchase the property located in the _____
_____, County of _____, State of _____,
commonly known as _____

_____ the legal description of which is _____,
which will be specifically described in the title insurance commitment (the "Property".)

1.2 Fixtures: Improvements. This sale includes all fixtures, improvements and appurtenances attached to the property as of this date, including but not limited to: all lighting and plumbing fixtures, shades, blinds, curtains, curtain rods, drapes, drapery hardware, wall-to-wall carpeting, purchased water softeners, automatic garage door equipment, storm windows and doors, screens, awnings and antennas, including rotor equipment, if any, as well as the following personal property for which a bill of sale will be given:

The following items are excluded from sale and will be removed from the Property prior to tender of possession: _____

1.3 Purchase Price. The purchase price shall be _____ Dollars (\$ _____)

1.4 Earnest Money. Seller acknowledges the receipt of _____ Dollars (\$ _____) paid by Purchaser as earnest money. This money will be deposited with Liberty Title Agency in its escrow account pursuant to its Standard Escrow Agreement until closing, at which time it will be credited to the Purchaser. If this Contract is not accepted, the earnest money will be returned to the Purchaser.

1.5 Payment. The balance of _____ Dollars (\$ _____) will be paid as follows: _____

1.6 Land Division. If the property that is subject of this contract is not platted land or a condominium, the seller agrees to transfer _____ land divisions. Purchaser acknowledges that the deed shall contain the following language: "The grantor grants to the grantee the right to make _____ divisions under section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967. This property may be located within the vicinity of farm land or a farm operation. Generally accepted agriculture and management practices which may generate noise, dust, odors and other associated conditions may be used and are protected by the Michigan right to farm act."

2. CONTINGENCIES

This Contract is contingent upon satisfactory completion of the items designated below, all of which must be removed in writing. Contingencies applicable to this transaction shall be marked in the margin.

_____ **2.1 Financing.** Purchaser qualifying for and obtaining a mortgage commitment as designated below for which Purchaser agrees to apply within _____ business days and pursue in good faith upon acceptance of this contract. Borrower intends to obtain mortgage approval and financing contingency shall be removed in writing on or before (date) _____ , _____ **CONVENTIONAL** loan commitment in the amount of \$ _____ (of the price) _____ **FHA/VA** loan commitment in the amount of \$ _____ (of the price)

Note: FHA/VA loans require the Seller to pay certain fees. Seller agrees to pay up to \$ _____ in closing costs in connection with this loan.

_____ **2.2 Termite Inspection.** An inspection of the property at the expense of _____ from a licensed exterminating company resulting in a report satisfactory to Purchaser regarding the presence of any termite or wood destroying insect infestation or any resulting damage. This contingency to be removed on or before _____. Purchaser shall provide Seller with 24 hours prior notice of inspection.

_____ **2.3 Contractor's Inspection.** An inspection of the property at Purchaser's expense, resulting in a report satisfactory to Purchaser. This contingency is to be removed within _____ business days from date of final acceptance of this Contract. Purchaser shall provide Seller with 24 hours prior notice of inspection.

_____ **2.4 Radon Inspection.** An inspection of the property at the expense of _____ for the presence of radon gas resulting in a report satisfactory to the Purchaser. This contingency is to be removed on or before _____.

_____ **2.5 Attorney Approvals.** Approval of contract language by:
(a). Seller's attorney, within _____ business days from date of final acceptance of this contract.
(b). Purchaser's attorney, within _____ business days from date of final acceptance of this contract.

_____ **2.6 Well and Septic.** A report satisfactory to Purchaser and Seller from an inspector authorized by the County Health Department approves the condition of the well and/or septic system. Seller agrees to promptly contract for an inspection upon execution of this contract. This contingency is to be removed on or before _____.

_____ **2.7 Title.** Approval of a commitment for an ALTA residential policy for title insurance issued through Liberty Title Agency. This contingency is to be removed on or before _____.

_____ **2.8 Sale of Purchaser's Property.** Check any that pertain to the Sale of Purchaser's property located at _____,
____ Obtaining a signed Sales Contract on Purchaser's property on or before _____.
____ Removal of all contingencies from a Sales Contract on Purchaser's property on or before _____.
____ Closing on the sale of Purchaser's Property on or before _____.

After Purchaser has removed the above contingency regarding the sale of Purchaser's property, Purchaser will be in default if Purchaser's financing contingency is not removed due to failure to sell said property.

2.9 Other. _____

Contingencies: If any contingency in this Contract is not removed in writing by a required date, this contract becomes voidable. After that date, and until the contingency is removed, either party may terminate the contract by written notice to the other at which time the earnest money will be returned to the Purchaser.

3. CLOSING

3.12 Closing. The closing shall occur on or before _____ at the offices of Liberty Title Agency or Purchaser's lender. Seller and Purchaser agree to pay their own customary closing fees imposed in connection with the sale transaction. Purchaser shall pay any mortgage closing fees in connection with the mortgage closing.

3.22 Form 2 of 2 Conveyance. Seller agrees to grant and convey by warranty deed a marketable title to the property, subject only to the encumbrances permitted by this contract. Seller will pay transfer tax when title passes.

3.32 Prorations. Association fees, fuel, insurance, interest, or rent, if any, are to be prorated as of the date of closing. TAXES will be treated as if they cover the CALENDAR YEAR in which they are first billed. TAXES first billed in years prior to year of Closing will be paid by SELLER without proration. TAXES which are first billed in the year of Closing will be prorated so that SELLER will pay taxes from the first of the year to Closing date; and BUYER will pay taxes for the balance of the year, including the date of Closing.

If both tax bills for the current year have not yet been issued as of the Closing date, then the current taxable value and the total annual millage rate from the previous year's tax bills shall be used to estimate the current year's taxes (any administrative fee shall be added to this amount) and those estimated current year's taxes plus administrative fee shall be prorated. If the transaction closes after both the July and December tax bills have been issued, the total of these two actual bills shall be used to determine the tax proration. The settlement agent will retain from Seller \$ _____ to be applied to the final billing for water and sewer charges. After payment, any balance remaining will be remitted to Seller and any balance due will be paid by Seller.

3.4 Benefit Charges. Any "benefit charges" against the property made by any government authority or private association for installation of, or tap-in fees for, water service, sanitary sewer, and/or storm sewer service, for which charges have been made, incurred and/or billed before the date of closing, will be paid by Seller. Any charges incurred after closing will be paid by Purchaser.

3.5 Special Assessments. All special assessments that have been assessed and are a lien on the property at the date of closing will be paid by Seller. The cost of improvements that are subject to future assessments against the property assessed after the date of closing will be paid by Purchaser.

3.6 Title Insurance. Seller will provide an ALTA residential policy of title insurance, including a policy commitment prior to closing, issued through Liberty Title Agency, in the amount of the sale price, at Seller's expense.

3.7 Possession. Possession to be given on or before _____ . From and including the date of closing, up to but not including the date of vacating property as agreed, Seller will pay the sum of \$_____ per day. The settlement agent will retain in escrow from Seller at closing the sum of \$_____ for occupancy between the time of closing and delivery of keys by Seller to Purchaser. Within ten (10) days after delivery of keys by Seller, the settlement agent will disburse the balance, if any, of this escrow according to the terms of the escrow agreement.

3.8 Compliance with Assessment. Seller represents that if Seller acquired title after January, 1995, Seller has complied with Public Act 415 of 1994; MCLA 211.27, requiring the disclosure of the purchase price to the local assessor.

4. MISCELLANEOUS

4.1 Casualty Loss. Until delivery of deed, risk of loss by fire, windstorm or other casualty is assumed by Seller.

4.2 Binding Contract; Assignment; Survival. This Contract binds Purchaser, Seller, their heirs and personal representatives, and anyone succeeding to their interest in the property. Purchaser will not assign this Contract without Seller's prior written permission which may be withheld in Seller's sole discretion. Unless modified or waived in writing, all covenants, warranties and representations contained in this Contract shall survive the closing.

4.3 Default. If Purchaser defaults, Seller may pursue legal remedies, or may cancel the Contract and claim the earnest money as liquidated damages. If Seller defaults, Purchaser may enforce this contract, demand a refund of the earnest money in termination of this Contract, or pursue legal remedies. TIME IS OF THE ESSENCE FOR THE PERFORMANCE OF THIS CONTRACT.

4.4 Warranty. Seller warrants that all equipment and improvements, except those excluded below will be in working condition at time of possession, and that premises will be free and clear of refuse and debris. Excluded from this warranty: _____

PURCHASER ACKNOWLEDGES HAVING BEEN ADVISED TO HAVE A CONTRACTOR'S INSPECTION OF THE PROPERTY. PURCHASER _____ DOES ACKNOWLEDGE RECEIPT OF THE SELLER'S DISCLOSURE STATEMENT AND LEAD BASED PAINT ADVISORY BOOKLET _____
Initials Initials

4.5 Facsimile/FAX Authority. Offers, acceptances, and notices required by this Contract can be delivered by Facsimile/FAX and/or Electronic copy.

4.6 Brokers. Purchaser warrants to Seller that no broker or agent is entitled to any commission arising from this Contract other than _____
_____ who is to receive a commission in the amount of \$ _____ to be paid by _____

Purchaser hereby indemnifies and holds Seller harmless from any loss, cost or damage, including without limitation, reasonable attorney's fees, arising from any breach of this warranty. This warranty shall survive the closing.

4.7 Contract. Provision of this form to Buyer by Seller does not constitute an offer to sell the property, nor does any return of this unsigned form by Seller to Purchaser with suggested revisions. A Contract will be formed only upon the execution by Seller of a fully completed Contract previously executed by Purchaser.

Witness: PURCHASER: (Date)

Witness: PURCHASER: (Date)

Witness: SELLER: (Date)

Witness: SELLER: (Date)

I HAVE RECEIVED A FULLY EXECUTED COPY OF THIS CONTRACT.

PURCHASER'S INITIALS _____ SELLER'S INITIALS _____

Date: _____ Date: _____

ADDENDUM

WITH REFERENCE TO A REAL ESTATE SALE/PURCHASE CONTRACT Dated: _____

between _____ ("Seller")

and _____ ("Purchaser")

for the property commonly known as _____

THE SALE/PURCHASE CONTRACT IS AMENDED/SUPPLEMENTED AS FOLLOWS:

Witness: PURCHASER: (Date)

Witness: PURCHASER: (Date)

Witness: SELLER: (Date)

Witness: SELLER: (Date)

PURCHASER'S RECEIPT: The undersigned Purchaser's acknowledge receipt of Seller's signed acceptance of this Addendum.

PURCHASER: PURCHASER: (Date)