

CONTRACT TO PURCHASE

Listing Office	Address	Phone	Office ID
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Selling Office	Address	Phone	Office ID
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SELLING AGENT is acting as ☐ SUB AGENT ☐ BUYER AGENT
 ☐ DUAL AGENT ☐ TRANSACTION COORDINATOR

1. **PROPERTY DESCRIPTION** Buyer agrees to buy from seller the property located at _____
 _____ County, Michigan and legally described
 as _____

The property includes all building, gas, oil, and mineral rights owned by the Seller, all fixtures including lighting, plumbing, heating, and electrical fixtures; built-in appliances; water softener, and alarm system (unless rented); water pumps, and pressure tanks; stationary laundry tubs; radio and television antenna, satellite dishes and any mechanical controls, shades, shutters, window blinds, and window treatment rods; attached floor coverings, attached fireplace doors, and screens; garage door openers and controls; screens, storm windows, and doors; landscaping, fences, and mailboxes, and

_____ if any, now on the premises, but does not include _____

_____ The property is being purchased subject to zoning ordinances and to building and use controls and easement of record.

2. **SALES PRICE** The sales price is _____

3. **METHOD OF PAYMENT** All monies must be paid by cash, certified check, cashiers check or money order. The sale will be completed by the following method:

A ☐ CASH. Buyer will pay the sales price in cash upon Seller's delivery of a Warranty Deed conveying marketable title.

B ☐ NEW MORTGAGE. This contract is contingent upon Buyer's ability to obtain a _____ mortgage loan in the amount of \$ _____. Buyer will apply for mortgage within _____ days after Seller's acceptance. If the Buyer fails to deliver written evidence of the loan approval within _____ days, at Seller's written option, Seller may cancel this contract and the deposit shall be returned to Buyer forthwith. Further the Buyer shall not be obligated to complete purchase of this property or to incur any penalty or forfeiture of earnest money deposit unless property appraises at purchase price.

C ☐ SALE TO EXISTING MORTGAGE (SIMPLE ASSUMPTION OR REQUALIFICATION REQUIRED).

D ☐ SALE TO EXISTING LAND CONTRACT. See attached addendum.

E ☐ SALE ON LAND CONTRACT. See attached addendum.

4. **CLOSING DATE.** The Buyer agrees to complete the sale within ten days after delivery of the commitment of title insurance; however, if the sale is dependent upon the Buyer acquiring financing, then the closing will be as soon as the mortgage application is approved, a closing date obtained from the lender, and, if applicable, a final inspection of the property approved by the Veterans Administration or FHA. The closing of this sale shall take place no later than _____/_____/_____.

THE PARTIES HAVE READ AND ACCEPT THIS SIDE OF THE CONTRACT TO PURCHASE AND AFFIX THEIR INITIALS HERETO:

Buyers: _____/_____

Sellers: _____/_____

5. **OCCUPANCY.** Seller will give occupancy as follows:

() Immediately at closing.

() _____ days after closing by 12:00 noon. From the date after closing to the date of vacating the Seller will pay Buyer \$ _____ per day as an occupancy charge. Escrow Agent will retain \$ _____ from Seller's proceeds at closing for occupancy, paying Buyer the amount due Buyer and returning to the Seller the unused portion as determined by date property is vacated and keys surrendered. Broker has no obligation, implied or otherwise, for seeing that the premises are vacated on the date specified or for the condition of the premises. Seller is liable to Buyer for damage to the property occurring after closing and before vacating, to the extent not covered by the Buyer's homeowner's policy, as well as for any deductible portions of a covered claim. Seller shall maintain insurance on the property until time of close and seller is advised to insure its contents until vacated.

If tenants occupy the property, then:

☐ Seller will cause the tenants to vacate the property before closing.

☐ Buyer will take the property subject to the rights of the tenants.

6. **EARNEST MONEY DEPOSIT:** Buyer deposits \$ _____ to be held by _____ ("Escrowee") evidencing Buyer's good faith, which deposit shall be applied to the purchase price at closing.

If this offer is not accepted or title is not marketable, or insurable or if the terms of purchase are contingent upon ability to obtain a new mortgage or any other contingencies as specified, which cannot be met, this deposit shall be refunded to Buyer. In the event the Buyer and Seller both claim the earnest money deposit, the earnest money deposit shall remain in Escrowee's trust account until a court action has determined to whom the deposit must be paid, or until the Buyer and Seller have agreed in writing to the disposition of the deposit. (This paragraph may be subject to the arbitration provisions in paragraph 24 below.)

7. **CLOSING COSTS.** Unless otherwise provided in this Contract, it is agreed that Seller shall pay all State transfer taxes and costs required to convey clear title. Unless otherwise provided in this Contract, Buyer shall pay the cost of recording the deed and/or security instruments and all application fees and closing costs required by mortgage except where prohibited by law.

8. **TITLE INSURANCE.** As evidence of title, Seller agrees to furnish Buyer prior to closing a Commitment for a Policy of Title Insurance in an amount not less than the purchase price, bearing date later than the acceptance hereof and guaranteeing the title condition required for the performance of this Contract. Said Commitment of Title Insurance shall be converted to a Policy of Title Insurance subsequent to closing and forwarded to Buyer as soon as all necessary documents have been processed and recorded to cause the issuance of a Policy of Title Insurance. If written objection to the title is made, that the title is not in the condition required for performance, the Seller shall have 30 days from the date he is notified to 1) remedy the title, or 2) refund deposit in full termination of this Contract.

9. **BUYER and SELLER** hereby acknowledge disclosure of the fact that Broker may accept a fee or consideration with regard to the placement of a loan or mortgage, or life, fire, theft, flood, title, or other casualty or hazard insurance or home warranty arising from this transaction and expressly consent thereto as required by Michigan Real Estate Law and Regulations.

10. **DEFAULT.** The covenants herein shall bind and inure to the benefit of the executors, administrators, successors and assigns of the respective parties. Failure to perform by either party shall constitute a breach of this Contract to Purchase. In event of a default by the Seller hereunder, the Buyer may, at Buyer's option, elect to enforce the terms hereof or demand and be entitled to an immediate refund of Buyer's entire deposit in full termination of this Contract. In the event of a default by the Buyer hereunder, the Seller may, at Seller's option, elect to enforce the terms hereof or declare a forfeiture hereunder and retain the deposit as liquidated damages. Broker shall not be parties to any action taken to enforce the Contract; Broker shall hold deposit (in trust, but without interest) until the dispute is finally resolved, either through an interpleader action in court or through arbitration/mediation, or a written release of the Contract to Purchase signed by all parties.

THE PARTIES HAVE READ AND ACCEPT THIS SIDE OF THE CONTRACT TO PURCHASE AND AFFIX THEIR INITIALS HERETO:

Buyers: _____/_____

Sellers: _____/_____

11. **AS IS.** Buyer understands that Buyer is purchasing a used structure in "AS-IS" condition.
(A) Buyer has examined the premises and is satisfied with its condition.
(B) Broker and Broker's agents are not contractors and cannot make any representation regarding the physical condition of the premises.
(C) Buyer has not relied on any representation of the Broker or Broker's agents.
(D) Buyer hereby knowingly waives, releases and relinquishes any and all claims or causes of action against Broker and Broker's agents arising out of the condition of the property or arising out of the performance of this Contract to Purchase.
12. **MERGER CLAUSE.** This Contract to Purchase supersedes any and all understandings and agreements and constitutes the entire agreement between the parties hereto and Brokers (other than the Listing/Commission Agreement) and no oral presentations or statements shall be considered a part thereof.
13. **TIME-ALL PARTIES AGREE THAT TIME IS OF THE ESSENCE IN THE PERFORMANCE OF THIS CONTRACT TO PURCHASE.** No extension of time or amendment to the Contract to Purchase will be binding unless specifically agreed to in writing and signed by the parties to the Contract to Purchase.
14. **WALK THROUGH.** Buyer shall have the right to walk through the premises within 48 hours of closing and/or vacating, by appointment.
15. **MAINTAIN PREMISES.** Seller agrees to maintain premises in the same condition as existed at acceptance of the Contract until possession is delivered to Buyer. Upon vacating, Seller will clear home of all rubbish, debris and personal belongings.
16. **PROPERTY INSURANCE:** Seller shall continue hazard insurance coverage on the property until sale is closed.
17. **MUNICIPALITY INSPECTION.** If the municipality where the property is located requires inspection upon sale, Seller will order and pay for necessary inspections and pay for required repairs, if any, to obtain written approval of municipality. If Buyer assumes any of these responsibilities, see Additional Conditions.
18. **BUYERS AND SELLERS,** collectively and individually, agree that information concerning seller's concessions, if any, related to the sale and purchase of the property can be disseminated through the Multiple Listing Service.
19. **SELLER DISCLOSURE STATEMENT.**
☐ Buyer acknowledges receipt of the Seller's Disclosure Statement as of DATE: _____
TIME: _____.
☐ Seller shall provide Buyer with a Seller's Disclosure Statement with Seller's acceptance of this offer. Pursuant to the Seller Disclosure Act, MCL 559.951, *et seq.*, Buyer will have 72 hours after hand-delivery of the disclosure statement (or 120 hours after delivery by registered mail) to terminate this Agreement by delivery of a written notice to Seller or Seller's agent. Seller hereby gives permission to disseminate the Seller's Disclosure Statement to lender, appraiser, municipality, etc.
20. **RELEASE:** Buyer and Seller acknowledge that neither Listing Broker nor Selling Broker, nor their respective agents, have made any representations concerning the condition of the property covered by this Agreement or the marketability of title, and Buyer and Seller release the Listing Broker and Selling Broker and their respective agents, with respect to all claims arising out of or related to this Agreement, any addendums or counteroffers; all claims arising from any purported representations as to the physical and environmental condition of the property covered by this Agreement or the marketability of title; and all claims arising from any special assessments and/or utility bills which have been or may in the future be charged against the property covered by this Agreement and, in addition, agree to indemnify and hold harmless the Listing Broker and Selling Broker and their respective agents from any and all claims relating to those matters.

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Buyers: _____/_____

Sellers: _____/_____

21. **TAXES.** All taxes currently due and payable shall be paid by Seller. Taxes which first become due and payable within one year prior to closing shall be prorated and adjusted as of date of closing in accordance with due date (which is in an advance basis).
- (A) Special Assessments: All special assessments for municipal improvements which have become a lien on the property shall be paid by the seller, provided, however, that in the event a special assessment is payable in installments, current and future installments shall be ☐ allocated between Seller and Buyer using the same method for the proration of real estate taxes as above; or ☐ paid in full by Seller at closing.
- (B) Seller **HAS** _____/_____ **HAS NOT** _____/_____ filed the Principal Residence Exemption Form.
- (C) Escrow Agent shall retain from the Seller at closing a minimum of \$300.00 for water charges. Seller shall obtain a final water bill upon vacating premises; all water adjustments shall be made as of that date.
- (D) Interest on Land Contract or mortgages, rents, condominium or association dues shall be prorated as of the date of closing.
22. **PRIVATE HOME INSPECTION.** Buyer and Seller acknowledges that Buyer has the right and duty to inspect the premises or have them inspected by a licensed contractor or professional home inspector of Buyer's choice and at Buyer's expense to determine if any defects exist in the premises. Buyer is aware that any reference to the square footage of the real property or improvements thereon is approximate. If square footage is a material matter to the Buyer, it must be verified by Buyer during the inspection period. (NOTE: Inspections required by FHA, VA, lenders or municipalities are not made for, nor shall they be relied upon by Buyer.) Buyer DOES _____/_____ DOES NOT _____/_____ (initial one) choose to have the premises inspected. If Buyer chooses to have premises inspected, Buyer shall order and have said inspection completed within five (5) calendar days of Seller's acceptance of this Contract to Purchase. Buyer agrees to return the property to its prior condition after all inspections or tests. If Buyer is not satisfied with the results of any inspection, upon written notice from Buyer to Seller within this period, this Agreement shall terminate and any deposit shall be refunded to Buyer. If the inspector's findings are not satisfactory to Buyer, Buyer shall notify the Seller or Seller's Listing Agent in writing within two (2) days of completion of inspection. Delivery of this written notification by the Buyer to Seller or Seller's Listing Agent shall render the Contract to Purchase void and the earnest money deposit shall be returned in full upon written release of Contract to Purchase signed by all parties. **IN THE EVENT BUYER FAILS TO NOTIFY THE SELLER, THIS CONTINGENCY SHALL BE DEEMED REMOVED AND THE CONTRACT TO PURCHASE SHALL CONTINUE IN FULL FORCE AND EFFECT.**
23. **LEAD-BASED PAINT DISCLOSURE / INSPECTION** (For residential housing built prior to 1978). Buyer acknowledges that prior to signing this Contract to Purchase; Buyer has received a copy of the Lead Based Paint Seller's Disclosure Form and pamphlet provided by the Seller, the terms of which shall be part of this Contract to Purchase.
- () Buyer shall have _____ calendar days after the date of Seller's acceptance of this Contract to conduct an inspection of the property for the presence of lead-based paint and/or lead-based paint hazard. (Federal regulations require a 10 day period or other mutually agreed upon period of time.) If Buyer is not satisfied with the results of this inspection, upon notice from Buyer to Seller within this period, this agreement shall terminate and any deposit shall be refunded to Buyer.
- () Buyer hereby waives his/her opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.
24. **LAND DIVISION ACT (For unplatted land only):** Seller and Buyer agree that the following statements shall be included in the deed at the time of delivery.
- (a) The grantor grants to the grantee the right to make _____ (insert "zero" or a specific number, as appropriate) divisions(s) under section 108 of the Land Division Act, MCL 560.108.
- (b) This property may be located within the vicinity of farm land or a farm operation. Generally accepted agricultural 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.
- CAUTION: If the space contained in subparagraph (a) above is left blank, the deed will NOT grant Buyer the right to any divisions.

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Buyers _____/_____

Sellers _____/_____

25. **ARBITRATION:** Any dispute over the disposition of any earnest money deposits or claim arising out of or related to the physical condition of any property covered by this Agreement, included without limitation, claims of fraud, misrepresentation, warranty and negligence, shall be settled in accordance with the rules, then in effect, adopted by the endorsed provider of arbitration services for the Michigan REALTORS®. This is a voluntary agreement between the Buyer and Seller. Failure to agree to arbitrate does not affect the validity of the Agreement. A judgment of any circuit court shall be rendered on the award or determination made pursuant to this Agreement. This Agreement is specifically made subject to and incorporates the provisions of the Michigan Uniform Arbitration Act, MCL 691.1681, *et seq.* This Agreement is enforceable only as to parties and brokers/agents who have agreed to arbitrate as acknowledged by their initials below. The terms of this paragraph shall survive the closing.

Buyers ____ / ____ Sellers ____ / ____ Buyer Broker ____ / ____ Seller Broker ____ / ____

26. **LIMITATION:** Buyer and Seller agree that any and all claims or lawsuits which they may have against the Listing Broker and its agents and/or Selling Broker and its agents relating to their services must be filed no more than six (6) months after the date of closing of the transaction described in this Agreement. Buyer and Seller waive any statute of limitations to the contrary.

27. **ELECTRONIC COMMUNICATION:** As an alternative to physical delivery, the parties agree that this Agreement, any amendment or modification of this Agreement and/or any written notice or communication in connection with this Agreement may be delivered to the Seller in care of the Listing REALTOR® and the Buyer in care of the Selling REALTOR® via electronic mail or by facsimile via the contact information set forth above. Any such communication shall be deemed delivered at the time it is sent or transmitted. Seller represents and warrants that an electronic email address has been provided to Selling REALTOR® from which Buyer may receive electronic mail. The parties agree that the electronic signatures and initials shall be deemed to be valid and binding upon the parties as if the original signatures or initials were present in the documents in the handwriting of each party.

28. **COUNTERPARTS:** This Agreement may be signed in any number of counterparts with the same effect as if the signature of each counterpart were upon the same instrument.

29. **HEIRS, SUCCESSORS AND ASSIGNS:** This Agreement binds Seller, Seller’s personal representatives and heirs, and anyone succeeding to Seller’s interest in the property. Buyer shall not assign this Agreement without Seller’s prior written permission.

NOTE: All conditions of sale and any addenda are incorporated and made a part hereof. Buyer and Seller shall initial where applicable upon this Contract to Purchase and Addenda thereto.

30. **ADDITIONAL CONDITIONS:** _____

FACSIMILE TRANSMISSION OF AN EXECUTED COPY OF ALL DOCUMENTS TO AND INCLUDING THIS CONTRACT TO PURCHASE SHALL CONSTITUTE ACCEPTANCE.

THIS IS A LEGAL AND BINDING DOCUMENT AND BUYER AND SELLER ACKNOWLEDGE THAT THEY HAVE BEEN ADVISED TO SEEK LEGAL COUNSEL.

THE PARTIES HAVE READ AND ACCEPT THIS SIDE OF THE CONTRACT TO PURCHASE AND AFFIX THEIR INITIALS HERETO.

Buyers _____/_____ Sellers _____/_____

31. **EXPIRATION:** It is understood that this Contract to Purchase shall remain valid until DATE _____ TIME _____ (unless earlier withdrawn) and if not accepted by the Seller, deposit returned forthwith to Buyer and the Contract to Purchase shall be null and void.

By the execution of this instrument, Buyer acknowledges receipt of a copy of the Contract.

IN THE PRESENCE OF: _____ Agent ID: _____

Buyer's Signature

Print Buyer's Name

Buyer's Signature

Print Buyer's Name

DATED _____ TIME _____ ADDRESS _____

32. **BROKER'S ACKNOWLEDGEMENT OF DEPOSIT:** Receipts from the above-named Buyer the Earnest Money Deposit above mentioned, which will be applied as indicated in Paragraph 6, or will be returned forthwith after tender, if foregoing offer and deposit is declined.

Broker: _____ By: _____

33. **COUNTER** In the event the Seller makes any written change in any of the terms and/or conditions to the offer presented by Buyer, such changed terms and/or conditions, shall constitute a Counter-Offer by Seller to Buyer which shall remain valid until DATE _____ TIME _____ (unless earlier withdrawn), and shall require acceptance by the Buyer by initialing each change before such date and time.

Comments: _____

34. **ACCEPTANCE** By affixing Seller's signature hereto, the Seller accepts this offer and acknowledges receipt of a copy hereto. Seller further agrees that Broker has procured said offer and has brought about this sale and agrees to pay Broker for services rendered a commission as set forth in the Listing Contract for the sale of the property. If the sale is unconsummated for any reason and deposit is forfeited, Broker may retain one-half thereof (not to exceed full commission) in full payment for services rendered.

This is a cooperative sale on a _____ basis with _____

IN THE PRESENCE OF _____ Agent ID# _____

Seller's Signature

Print Seller's Name

Seller's Signature

Print Seller's Name

DATED _____ TIME _____ ADDRESS _____

The undersigned Buyer hereby acknowledges receipt of the Seller's signed acceptance of the forgoing Contract to Purchase.

DATED _____ TIME _____ / _____