

# REAL ESTATE PURCHASE AGREEMENT

1. The undersigned, hereinafter described as Purchaser, hereby offers and agrees to purchase the following real estate on the terms and conditions hereinafter set forth.

\_\_\_\_\_ Michigan.

Tax ID Number:

Together with all improvements, appurtenances, if any, including all built-in equipment, all lighting fixtures, shades, attached carpeting, attached mirrors, TV antenna and rotor, storm doors, storm windows, screens, awnings, sump pump, mail boxes, all curtains, drapes and window dressings.

now in and on the premises and subject to building and use restrictions, zoning ordinances and easements, if any. Further, Purchaser is satisfied that property can be used in accordance with Purchaser's intentions.

**PURCHASE PRICE** \_\_\_\_\_ (\$ \_\_\_\_\_) Dollars.

2.  **CASH SALE.** Purchase price to be paid in cash or by certified check.

**CASH SALE WITH NEW MORTGAGE.** Purchase price to be paid in cash or by certified check subject to purchaser obtaining a \_\_\_\_\_% \_\_\_\_\_ mortgage. Purchaser agrees he will apply for the mortgage within \_\_\_\_\_ days from the acceptance of this offer. If financing is not obtained, the deposit shall be fully refunded.

**SALE TO EXISTING MORTGAGE OR LAND CONTRACT.** Purchase price to be paid in cash or by certified check, less the amount owing upon an existing mortgage or land contract of the approximate amount of \$ \_\_\_\_\_, payable in monthly payments of \$ \_\_\_\_\_, or more and including interest at \_\_\_\_\_%. which Purchaser agrees to assume and pay. The principal and interest payment is \$ \_\_\_\_\_ and escrow for taxes and insurance is \$ \_\_\_\_\_. Purchaser agrees to purchase escrow account, if any, at closing. It is agreed and understood lender may enforce the "Due on Sale" clause.

**SALE ON LAND CONTRACT.** \$ \_\_\_\_\_ in cash or certified check and the balance of \$ \_\_\_\_\_ in monthly payments for principal and interest of \$ \_\_\_\_\_ or more and including interest at \_\_\_\_\_% and shall be paid in full within \_\_\_\_\_ years. The escrow payment for taxes and insurance is approximately \$ \_\_\_\_\_. An escrow advance of approximately \$ \_\_\_\_\_ shall be paid at closing. Purchaser to supply credit report and employment verification subject to acceptance by seller. A late charge of \_\_\_\_\_% of installment payment shall be assessed on any installment received more than \_\_\_\_\_ days after due date.

3. **POSSESSION:** The seller shall deliver possession of the property within \_\_\_\_\_ days from the date of closing. Subject to the following tenants rights \_\_\_\_\_.

Use and Occupancy escrow held in the amount of \$ \_\_\_\_\_. (Possession) Rent of \$ \_\_\_\_\_ per day shall be charged from \_\_\_\_\_. Water escrow held in the amount of \$ \_\_\_\_\_.

4. **DEPOSIT:** The Broker is authorized to make this offer and the deposit of \$ \_\_\_\_\_ shall be held by it under Act 112 PA of 1960, Section 13 (j) and applied on the purchase price if the sale is consummated. If the offer is not accepted within \_\_\_\_\_ hours after the time hereof, the deposit shall be returned to the Purchaser.

5. **EVIDENCE OF TITLE:** As evidence of title, Seller agrees to furnish Purchaser as soon as possible, with a Commitment for Title Insurance in an amount not less than the purchase price, bearing date later than the acceptance showing marketable title in the Seller in the condition required for performance of this Agreement.

6 **CLOSING:** This sale is to be consummated on or before \_\_\_\_\_, or earliest possible date as specified by lender.

7. **PRORATIONS:** All taxes due prior to date of closing shall be paid by Seller and prorated on date of

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closing on a due date basis. All taxes will be prorated as though taxes are paid in advance. All rents shall be prorated on date of closing. Utilities and fuel bills shall be adjusted as of date of possession. Water bill will be adjusted as of date of (check one)  closing  possession. Taxes will be prorated, and provisions of this paragraph shall be interpreted and applied as if the amendments of law set forth in Public Acts 80 and 279 of 1994 did not exist.

8. **WATER & SEWR CONNECTIONS:** It is understood property has (check one)  well  city water and (check one)  septic  city sewer system. The Broker recommends purchaser have systems checked by licensed contractor or St. Clair County Health Department to insure in good working condition and no health hazard. The Broker makes no representations or warranties in reference to the above systems.

9. **SPECIAL ASSESSMENTS:** (check one)  All special assessments, if any, shall be paid in full by Seller;  All assessment payments due prior to and including date of closing shall be paid by seller. Purchaser shall assume the balance of the special assessments, in the approximate amount of \$\_\_\_\_\_. All other assessments, if any, shall be paid in full by seller. Tap in and connection charges to be paid in full by Seller.

10. **TITLE OBJECTIONS:** If the title is defective, Purchaser shall promptly give written notice to Seller and Seller shall have 30 days after delivery of such notice to remedy the title defects or obtain insurance specifically insuring against such defects. If Seller does not remedy such defects in the time specified, Purchaser may accept title as is or may cancel this agreement, in which case the deposit shall be immediately refunded to Purchaser.

11. **DEFAULT PURCHASER:** In the event of a default by the Purchaser of any terms herein, the Seller may, at his option, retain the deposit as liquidated damages or elect to enforce the terms thereof.

12. **DEFAULT SELLER:** If Seller defaults, Purchaser may, at his option elect to enforce the terms hereof, seek damages or receive an immediate refund of his entire deposit in full satisfaction of any claim he may have by reason of such default.

13. **PROPERTY INSPECTION:** Purchaser acknowledges that Broker has not made any representations or warranties about the property or its condition. In order to acknowledge the existence, accuracy and understanding of this fact, Purchaser has signed his initials hereto\_\_\_\_\_. Broker recommends that Purchaser obtain an inspection of the electrical, structural, plumbing, heating, mechanical, roof, water and sewer systems, insect infestation, insulation. (Homes built prior to 1978 may have lead or lead solder present).

Purchaser waives residential inspection and acknowledges that he has fully inspected the property or has had the opportunity to do so. In either event, the Purchaser accepts the property in "AS IS" condition. The Seller agrees that the property shall be in substantially the same condition at delivery of possession as it is on the date hereof.

Purchaser requests the opportunity to conduct a residential inspection; such inspection shall be at Purchasers own cost and such inspection shall be completed within \_\_\_\_\_ days. If no objection to the condition of the property is received by the Seller within such time, then Purchaser shall be deemed to have accepted the property in "AS IS" condition. Seller agrees that the property shall be in substantially the same condition at delivery of possession as it is on the date hereof.

14. **PURCHASER'S RECEIPT:** By the execution of this instrument, Purchaser hereby acknowledges the receipts of a copy of this contract.

15. **ENTIRE AGREEMENT:** We hereby acknowledge that this offer constitutes the entire agreement between the parties and that there are no representations or warranties, express or implied by the Broker or its independent contractors or the Seller upon which the Purchaser or Seller are relying, except those written herein.

16. **PROPERTY SURVEY:** The Parties acknowledge the recommendations of the Broker that the Purchaser have the property surveyed by a registered surveyor at his own expense.

Purchaser requests survey.  New.  Recertified.

Existing; to be provided by  Purchaser  Seller.

17. **ATTORNEY RECOMMENDED:** Purchaser and Seller hereby acknowledge the recommendations of the Broker that the Purchaser retain an attorney at his own expense, to pass on the marketability of the title of the property involved, and to ascertain that the required details in the sale thereof are strictly adhered to before the transaction is consummated.

Purchaser requests that attorney \_\_\_\_\_ review Real Estate Purchase Agreement and Closing Documents.

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Purchaser waives attorney review.  Seller requests that attorney \_\_\_\_\_ prepare Warranty Deed or Land Contract or \_\_\_\_\_ and review closing documents.

18. **HEIRS AND SUCCESSORS:** This Real Estate Purchase Agreement binds the Purchaser, Seller, their personal representatives and heirs and anyone succeeding to their interest in the property. Purchaser shall not assign this Agreement without Seller's written permission.

19. **AT CLOSING:** Purchaser and Seller agree to acknowledge the provisions of paragraphs 8, 13, 15, 16, 17 of this agreement on a form to be provided as "Agreement A", made a part of this agreement.

20. **RADON.** Property **has/has not** (circle one) been tested for radon. Purchaser requests test at his cost.  
 Yes  No

21. **CLOSING FEE:** Purchaser to pay \$75.00 minimum closing fee, except where the payment thereof shall be prohibited by law, in which case the escrow/closing fee shall be paid by Seller.

21. **ENVIRONMENTAL AUDIT:** Purchaser may request environmental audit, at purchaser's expense. Any environmental issue or problem known to Broker or sub-agent to be presented herein; \_\_\_\_\_

\_\_\_\_\_  
Purchaser Initials \_\_\_\_\_ Seller Initials \_\_\_\_\_

23. **CONTINGENCY OFFER:** It is understood that the closing upon this Agreement of Sale is contingent upon the sale of the Purchaser's present home located at \_\_\_\_\_. If Purchaser is to finance this transaction, he will get pre-approval within 10 days from the acceptance of this offer and final approval within 25 days from the date of receiving a bonafide offer on his home. Date of closing to be within 2 days of the closing of the sale of the Purchaser's home.

It is further understood that Seller will continue to offer this home for sale and a second Agreement of Sale may be accepted by the Seller.

A.  The Seller upon receipt of another bonafide offer to purchase, acceptable to the Seller, shall give the Purchaser written notice to remove the contingency of the sale of Purchaser's home within \_\_\_\_\_ hours. If Purchaser fails to remove the contingency within \_\_\_\_\_ hours, this offer shall be null and void and the deposit fully refunded. If the contingency is removed the sale shall be closed within 30 days from the date of removal.

B.  Prior to the removal of this contingency, the Seller upon receipt of another bonafide offer to purchase, acceptable to the Seller, may elect to accept said offer, and in so doing, this offer shall become null and void and the deposit fully refunded.

In the event this contingency is not removed by \_\_\_\_\_, this agreement shall be null and void, neither party shall be further obligated, and the deposit shall be fully refunded.

Purchaser Initials \_\_\_\_\_ Seller Initials \_\_\_\_\_

24. **ARBITRATION.**

Any claim or demand of Seller or Purchaser arising out of the agreement but limited to any dispute over the disposition of any earnest money deposits or arising out of or related to the physical condition of any property covered by this agreement, including without limitation, claims of fraud, misrepresentation, warranty and negligence, shall be settled in accordance with the rules, then in effect, adopted by the American Arbitration Association and the Michigan Association of REALTORS. This is a voluntary agreement between the Purchaser and the Seller. Failure to agree to arbitrate does not affect the validity of this 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 Michigan law governing arbitrations MCL 600.5001:MSA 27A.500 as amended, and the applicable court rules MCR 3.602, as amended. This agreement is enforceable as to all parties and broker/agents who have agreed to arbitrate as acknowledged by their signatures below. The terms of this provision shall survive the closing.

The parties do not wish to agree at this time to arbitrate any future disputes.

Purchaser Initials \_\_\_\_\_ Seller Initials \_\_\_\_\_

25. **AGENCY RELATIONSHIPS:** Purchaser and Seller understand the Real Estate Licensee Agency relationship and understand with regard to this transaction

The Listing Licensee is working as:

- Seller Agent
- Buyers Agent
- Dual Agent
- Transaction Coordinator

The Selling Licensee is working as a:

- Seller Agent
- Buyers Agent
- Dual Agent
- Transaction Coordinator

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Buyer and Seller have reviewed the Disclosure regarding Real Estate Agency relationships. The Disclosure Form has been signed and added to this Agreement. The Seller Disclosure has also been signed and added to this Agreement.

Purchaser Initials \_\_\_\_\_ Seller Initials \_\_\_\_\_

26. **PERC TEST:** The Broker recommends Purchaser have a Perc test done prior to closing.  
\_\_\_\_\_Purchaser waives Perc test. \_\_\_\_\_Purchaser request Perc test to be done prior to closing at Purchaser's expense.

**27. VACANT LAND PURCHASE:**

The Grantor grants, but does not warrant, to the Grantees the right to make \_\_\_\_\_divisions under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of 1967. Purchaser should verify with the proper authorities that they can split the property in accordance with their intentions, prior to closing.

28. **LEAD-BASED PAINT DISCLOSURE:** The seller(s) hereby represent(s) that the property (check one):

is non-residential property or residential property built in or after 1978 and, therefore, the federally mandated lead-based paint disclosures do not apply to this property; or

is residential property built prior to 1978. If so please

A. Initial below:

\_\_\_\_\_ Seller acknowledges that he/she/it has received a copy of the form Responsibilities of Sellers Under the Residential Lead Based Paint Hazard Reduction Act, and has completed the Seller's Lead-Based Paint Disclosure form.

\_\_\_\_\_ Buyer has, prior to executing this Agreement, received a copy of the Seller's Lead-Based Paint Disclosure form completed by the Seller on \_\_\_\_\_, the terms of which are incorporated by reference. The Buyer also acknowledges the receipt of the pamphlet entitled Protect Your Family from Lead in Your Home.

B. Check One:

Buyer shall have a \_\_\_\_\_day opportunity after the date of this agreement to conduct an inspection of the property for the presence of lead-based paint and/or lead-based paint hazards. (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 in writing within this period, this agreement shall be terminated and any deposit shall be refunded to the Buyer.

Buyer hereby waives his/her/its opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Dated \_\_\_\_\_ 20\_\_\_\_ Time \_\_\_\_\_ Purchaser X \_\_\_\_\_

\_\_\_\_\_ Purchaser X \_\_\_\_\_

Witness

Purchaser's Res \_\_\_\_\_ Address \_\_\_\_\_

Telephones Work \_\_\_\_\_

**BROKER'S ACKNOWLEDGMENT OF DEPOSIT**

Received from the above named Purchaser, the deposit money shown in Paragraph #4, in the form of ( CASH OR  CHECK)

\_\_\_\_\_, Broker By \_\_\_\_\_

This is a cooperative sale on a \_\_\_\_\_ basis with \_\_\_\_\_

**ACCEPTANCE OF OFFER**

We, the undersigned, the owners of the above described property hereby accept the foregoing offer in accordance with the terms stated and agree to sell and convey marketable fee simple title, and to pay THE BROKER a commission of \$ \_\_\_\_\_ ( \_\_\_\_\_% of the purchase price), which is due and payable at the consummation of this sale. In the event that the deposit is forfeited, we agree that THE BROKER shall retain 1/2 of the deposit, but not in amount in excess of the full commission, as full payment for services rendered.

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The undersigned Seller acknowledges the receipt of an executed copy of this instrument and the deposit, and directs that the deposit be retained as provided or returned to the Purchaser as the case may be, in accordance with the terms of the agreement.

Dated \_\_\_\_\_ 20\_\_\_\_ Time \_\_\_\_\_ SELLER X \_\_\_\_\_

\_\_\_\_\_  
Witness SELLER X \_\_\_\_\_

Seller's Res \_\_\_\_\_ Address \_\_\_\_\_

Telephones Work \_\_\_\_\_

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### COUNTER-OFFER

The following changes or conditions to the above agreement are hereby made by the Seller: \_\_\_\_\_

OTHER TERMS: All other terms to remain the same.

RIGHT TO ACCEPT OTHER OFFERS: Seller reserves the right to accept any other offer prior to Purchasers written acceptance of this counter-offer. Acceptance shall not be effective until personally received by the Seller.

EXPIRATION: This counter-offer shall expire unless a copy hereof with Purchasers written acceptance is delivered to Seller or his agent within \_\_\_\_\_ hours from date.

Dated: \_\_\_\_\_ Time: \_\_\_\_\_ Seller X \_\_\_\_\_

\_\_\_\_\_  
Witness Seller X \_\_\_\_\_

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### PURCHASER'S ACCEPTANCE OF COUNTER OFFER

We the undersigned, hereby agree to the foregoing offer in accordance with the terms stated.

Dated \_\_\_\_\_ Time \_\_\_\_\_ Purchaser X \_\_\_\_\_

\_\_\_\_\_  
Witness Purchaser X \_\_\_\_\_

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### SELLER'S RECEIPT OF ACCEPTED COUNTER-OFFER

The undersigned Seller hereby acknowledges receipt of the Purchaser's acceptance of the foregoing counter-offer.

Dated \_\_\_\_\_ Time \_\_\_\_\_ SELLER X \_\_\_\_\_

**DISCLAIMER** This form is provided as a service of Reputation First Title Agency. Please review both the form and details of the particular transaction to ensure that each section is appropriate for the transaction. Reputation First Title Agency is not responsible for use or misuse of the form, for misrepresentation, or for warranties made in connection with the form.

