

**For Sale by Owner Purchase Agreement**  
**(This is a legally binding contract. If not understood, seek legal advice)**

This for sale by owner real estate purchase agreement is entered into by and between \_\_\_\_\_  
\_\_\_\_\_  
Seller(s)  
and \_\_\_\_\_  
Purchaser(s).

1. The undersigned hereby offers and agrees to purchase the following land situated in the City/Township/Village of \_\_\_\_\_,  
\_\_\_\_\_, county of \_\_\_\_\_, Michigan, described as follows:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

commonly known as \_\_\_\_\_ together with all  
improvements and appurtenances, including all lighting and plumbing fixtures, shades, Venetian blinds, curtain rods, storm  
doors, screens, awnings, TV antenna, \_\_\_\_\_

if any, now on the premises and to pay thereof the sum of \$ \_\_\_\_\_ dollars subject  
to the existing building and use restrictions, easements and zoning ordinances, if any, upon the following conditions.

**THE SALE TO BE CONSUMATED BY:**

**(FILL IN ONE OF THE FOLLOWING PARAGRAPHS, AND STRIKE OUT THE REMAINDER)**

- A. Cash Sale:** Delivery of the usual Warranty Deed conveying a marketable title. Payment of purchase money is to be made in certified check.
- B. Cash Sale with New Mortgage:** Delivery of the usual Warranty Deed conveying a marketable title. Payment of purchase money is to be made in certified check. Purchaser(s) agrees that he will apply for a \_\_\_\_\_ mortgage in the amount of \$ \_\_\_\_\_, within \_\_\_\_\_ days and pay \$ \_\_\_\_\_ down plus mortgage costs, prepaid items and adjustments in cash. Purchaser(s) agrees to execute the mortgage as soon as the mortgage application is approved, a closing date obtained from the lending institution and, if applicable, final inspection of the property approved by the Veterans Administration or F.H.A. Failure to obtain mortgage approval within \_\_\_\_\_ days shall cause this agreement to be null and void at the option of either party and all deposits be returned.
- C. Sale to Existing Mortgage:** Delivery of the usual Warranty Deed conveying marketable title, subject to mortgage to be deducted from the purchase price. Payment of the purchase money is to be made in cash or certified check less the amount owing upon an existing mortgage now on the premises, with accrued interest to date of consummation, held by \_\_\_\_\_ upon which there is unpaid the sum of approximately \_\_\_\_\_ dollars with interest at \_\_\_\_\_ percent, which mortgage requires payment of \_\_\_\_\_ dollars on the \_\_\_\_\_ day of each month, which payments (DO) (DO NOT) include prepaid taxes and insurance. If the Seller(s) has any accumulated funds held in escrow for the payment of any prepaid items, the Purchaser(s) agrees to reimburse the Seller(s) proper assignment of the same. The Purchaser(s) agrees to assume and paid said mortgage according to the terms thereof.
- D. Sale On Land Contract: (see addendum to Land Contract Purchase Agreement).**  
Payment of the sum of \_\_\_\_\_ dollars in cash or certified funds, and the execution of a land contract upon Land Contract form, acknowledge payment of that sum and calling for the payment of the remainder of the purchase money within \_\_\_\_\_ years from the date of contract in monthly payments of no less than \_\_\_\_\_ dollars Each month, which include interest payments at the rate of \_\_\_\_\_ percent per annum, and which (DO) (DO NOT) include prepaid taxes and insurance.
- E. Sale To Existing Land Contract:** If the Seller(s) title to said land is evidenced by an existing land contract with unperformed terms and conditions substantially as above set forth and the cash payment to be made by the undersigned on consummation hereof will pay out the equity, an assignment to assume the balance owing thereon, will be accepted in lieu of the contract proposed in the preceding paragraph. If the Seller(s) has any accumulated funds held in escrow for the payment of prepaid taxes or insurance, the Purchaser(s) agrees to reimburse the Seller upon the proper assignment of same.
2. **Evidence Of Title:** As evidence of title, Seller(s) agrees to furnish Purchaser(s) as soon as possible a Commitment for Title Insurance in an amount not less than the purchase price bearing date later the acceptance hereof with policy pursuant thereto to be issued insuring Purchaser(s), or in lieu thereof, a complete Abstract of Title and Tax History prepared by the same company certified to a date later than the acceptance hereof.
3. **Time Of Closing:** Time is of the essence for this agreement. If this offer is accepted by the Seller(s) and if title can be conveyed in the condition required hereunder, the Purchaser(s) agrees to complete the sale within \_\_\_\_\_ days after delivery of the commitment of title insurance or abstract; however, if the sale is to consummated in accordance with Paragraph B, then the closing will be governed by the time there specified for obtaining a mortgage.
4. **Purchaser's Default:** In the event of default by the Purchaser(s) hereunder, the Seller(s) may, at his option, elect to enforce the terms hereof or declare forfeiture hereunder and retain the deposit as liquidated damages in fulfillment of any claims for damage.
5. **Seller's Default:** In the event of default by the Seller(s) hereunder, the Purchaser(s) may, at his option, elect to enforce the terms hereof or demand, and be entitled to an immediate refund of his entire deposit in full termination.

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- 6. Title Objections:** If objection to the title is made in a Commitment for Title Insurance or based upon a written opinion of Purchaser's attorney after examination of the Abstract that the title is not in the condition required for performance hereunder, the Seller(s) shall have 30 days from the date he is notified in writing of the particular defects claimed either (1) to fulfill the requirements in said commitment or to remedy the title defects set forth in said attorney's opinion or (2) to refund the deposit in full termination of this agreement if unable to furnish satisfactory title. If the Seller(s) is able to comply with such requirements or remedy such defects within the time specified as evidenced by written notification, revised commitment or endorsement to commitment, the Purchaser(s) agree to complete the sale within 10 days of receipt thereof or upon the closing date set by the lending institution. If the Seller(s) is unable to furnish satisfactory title within the time specified, the deposit shall be refunded forthwith in full termination of this agreement.
- 7. Possession:** The Seller(s) shall deliver and the Purchaser(s) shall accept possession of said property, subject to rights of the following tenants: If the Seller(s) occupies the property, it shall be vacated on or before \_\_\_\_\_ From the date of closing to the date of vacating property as agreed, Seller(s) shall pay the sum of \$ \_\_\_\_\_ as a security deposit for said occupancy, paying to the purchaser(s) the amount due him and returning to the Seller(s) the unused portion as determined by the date the property is vacated and keys surrendered to Purchaser(s).
- 8. Taxes and Prorated Items:** All taxes and assessments which have been a lien upon the land at the date this agreement shall be paid by Seller(s). Current taxes, if any, shall be prorated and adjusted as of the date of closing in accordance with due date basis of the municipality or taxing unit in which the property is located. Interest and rents shall be prorated and adjusted as of the date of closing. **The title company shall retain from the amount due to the Seller(s) at closing a minimum of \$300.00 for water charges. Upon vacating the property, the Seller(s) shall obtain a final water bill (an actual inside or outside meter reading read by the city/township/village) in which the property is located. All water adjustments shall be made as of that date.**

(Applicable to F.H.A. sales only)

- 9.** It is expressly agreed that, notwithstanding any other provisions of this contract, the Purchaser(s) shall not be obligated to complete the purchase of the property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise the Seller(s) has delivered to the purchaser(s) a written statement issued by the Federal Housing Commissioner setting forth the appraised value of the property for mortgage insurance purposes of not less than \$ \_\_\_\_\_ which statement the Seller(s) hereby agrees to deliver to the Purchaser(s) promptly after such appraised value statement is made available to the Seller(s). The Purchaser(s) shall, however, have the privilege and option of proceeding with the consummation of this contract without regard to the amount of the appraised valuation made by the Federal housing Commissioner. It is further understood between the Purchaser(s) and Seller(s) that the additional personal property listed herein has a value of \$ \_\_\_\_\_.
- 10.** The covenants herein shall bind and insure to the benefit of the executors, administrators, successors and assigns of the respective parties. By execution of this instrument the Purchaser(s) acknowledges that he had examined the above-described premises and is satisfied with the physical condition of structures thereon and acknowledges the receipt of a copy of this offer. The closing of this sale shall take place at the office of \_\_\_\_\_ If, however, a new mortgage is being applied for, Purchaser(s) shall execute it at such place as may be designated by the mortgage.

**11. Additional Conditions:** \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Dated \_\_\_\_\_ 20\_\_\_\_ Time \_\_\_\_\_

Purchaser _____ Signature	Purchaser _____ Signature
Purchaser _____ Printed Name	Purchaser _____ Printed Name
Purchaser's Address: _____ Phone: _____	
In the presence _____ Witness	

I (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 to the Purchaser(s). 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 _____ Signature	Seller _____ Signature
Seller _____ Printed Name	Seller _____ Printed Name
Seller's Address: _____ Phone: _____	
In the presence _____ Witness	