

RESIDENTIAL REAL ESTATE PURCHASE AGREEMENT

This is a legally binding contract. If you do not understand this contract, please seek legal counsel.

PARTIES

This Agreement is entered into on _____, 20____ (“Effective Date”, defined as the date of final acceptance, being the date this Agreement is fully executed by all parties and delivered to all parties), by and between:

 (“Buyers”) and

 (“Sellers”).

Buyer Contact Information:

Address: _____

Email: _____

Phone: _____

Seller Contact Information:

Address: _____

Email: _____

Phone: _____

Peninsula Title Agency, Inc. shall act as the closing agent and Escrow Agent (“Escrow Agent”) for this transaction.

PROPERTY PURCHASED

Seller agrees to sell and Buyer agrees to purchase the real property located at _____, in the City/Township of _____, County of _____, State of Michigan, and legally described as follows:

If needed, attach the full legal description on a separate page labeled “Exhibit A – Legal Description.” It will be part of this Agreement.

Tax Parcel Identification Number(s): _____

A copy of the most recent tax bill shall be attached for reference purposes only. In the event of any discrepancy, the legal description of the property shall control.

Together with all improvements thereon and all rights, privileges, appurtenances, easements, and all fixtures presently situated in or on the property, including, but not limited to:

All heating and air conditioning equipment (including window units); all electrical, plumbing, and bathroom fixtures; water softeners; shades; blinds; curtains, draperies, and rods; storm windows and doors; window and door screens; affixed mirrors; wall-to-wall, stair, and similar attached floor coverings and carpeting; television antennas and related equipment; garage door openers and operating devices; ranges, ovens, refrigerators, dishwashers, garbage disposals, trash compactors, and built-in appliances; humidifiers; washing machines and dryers; all affixed or built-in furniture and fixtures; all landscaping, trees, and shrubs; all storage buildings, sheds, and outbuildings; and all permanently affixed items.

Excluded items (if any):

In addition to the above, the following items shall be included in the sale (if any):

Any items not specifically excluded shall be deemed included in the sale if they are fixtures or permanently affixed to the property.

All personal property not specifically included in this Agreement shall be deemed excluded.

PRICE AND TERMS

Buyer agrees to pay for the property the total purchase price of \$ _____
(_____ U.S. Dollars).

The sale shall be completed by the following method (check one):

- Cash
- Mortgage Financing
- Land Contract (attach complete terms)

All financing, land contract, or other agreed-upon terms shall be attached to and made part of this Agreement.

If this transaction includes mortgage financing, this Agreement is contingent upon Buyer obtaining financing acceptable to Buyer.

If Buyer is unable to obtain financing and provides timely written notice, this Agreement shall terminate.

If Buyer does not provide timely notice, Buyer shall be deemed to have waived this contingency.

EARNEST MONEY

Buyer shall deposit \$ _____ (_____ U.S. Dollars) as earnest money to apply toward the purchase price.

If Buyer fails to timely deposit the earnest money within _____ days, Seller may terminate this Agreement by written notice.

Should the parties decide that Peninsula Title Agency, Inc. is to hold the earnest money it will be disbursed in accordance with the terms of a separate Escrow Agreement to be executed by the parties (copy attached).

EVIDENCE OF TITLE

Seller shall furnish an Owner's Policy of Title Insurance in the amount of the purchase price, issued through Peninsula Title Agency, Inc., by a licensed Michigan title insurance company.

A title commitment shall be provided to Buyer for review at least forty-eight (48) hours prior to closing. Buyer shall have the right to review the commitment and object, in writing, to any defects in title.

Seller shall have a reasonable time to cure any such defects prior to closing. If Seller is unable to cure such defects within a reasonable time, Buyer may elect to terminate this Agreement, in which case the earnest money shall be returned to Buyer.

Buyer agrees to accept title subject to standard exceptions contained in the title insurance policy and those matters disclosed in the title commitment and not objected to by Buyer.

Failure of Buyer to provide written objection prior to closing shall constitute acceptance of title.

SELLER'S CERTIFICATION

Seller certifies to Buyer, to the best of Seller's knowledge, that:

- (a) all fireplaces, chimneys, electrical, plumbing, heating, and air conditioning systems shall be in working order at the time of possession;
- (b) there are no pending municipal or governmental orders, ordinances, or assessments requiring work or improvements to the property that have not been completed; and
- (c) no notices have been received from any governmental authority requiring repairs or improvements that remain unaddressed.

INSPECTION

Seller agrees to provide Buyer and/or Buyer's agents reasonable access to the property prior to closing for the purpose of inspection.

Buyer shall have ____ days after the Effective Date to conduct inspections of the property, including but not limited to all rooms, roof, plumbing, electrical systems, structure, foundation, and mechanical components.

If deficiencies are discovered, Seller shall have the option to:

- (1) repair the deficiencies;
- (2) agree to a credit or price adjustment; or
- (3) notify Buyer in writing that Seller declines to make such repairs.

If Seller declines to make repairs, Buyer may elect to terminate this Agreement by providing written notice within the inspection period, in which case the earnest money shall be returned to Buyer.

Failure of Buyer to provide written notice of dissatisfaction within the inspection period shall constitute acceptance of the property in its current condition.

CONDITION OF PROPERTY

Seller agrees that the property shall be maintained in substantially the same condition as of the Effective Date, reasonable wear and tear excepted, through the date of closing.

All systems, fixtures, and included items shall be in working order at the time of closing, consistent with Seller's Certification and any agreed repairs.

If the property is materially damaged prior to closing, Buyer may elect to:

- (1) proceed with the transaction and accept insurance proceeds, if any; or
- (2) terminate this Agreement, in which case the earnest money shall be returned to Buyer.

Buyer shall have the right to conduct a final walk-through prior to closing.

CONVEYANCE AND CLOSING

Within _____ days after the Effective Date, or upon completion of any agreed repairs the closing shall occur. Otherwise, closing shall occur on or before _____, or such earlier or later date as may be mutually agreed upon in writing by the parties. The parties shall deposit with Peninsula Title Agency, Inc. all funds and instruments necessary to complete the transaction and shall take all actions reasonably required to close.

Seller shall convey marketable title to the property by Warranty Deed, free and clear of all liens and encumbrances, except those of record and acceptable to Buyer in accordance with the Evidence of Title section, and subject to the standard exceptions contained in the title insurance policy.

Preferred Attorney for Deed Preparation (if any): _____. The parties acknowledge that Peninsula Title Agency, Inc. does not employ an attorney and does not provide legal services. If no attorney is designated, Peninsula Title Agency, Inc. may arrange for a licensed attorney to prepare the deed.

POSSESSION AND TRANSFER OF UTILITIES

Possession of the property shall be delivered to Buyer at closing, unless otherwise agreed in writing.

Seller shall maintain all utilities and services to the property in their current operating condition through the date of closing.

Buyer shall be responsible for arranging for the transfer of utilities into Buyer’s name effective as of the date of closing. Seller agrees to cooperate in facilitating such transfer.

Neither party shall cause any utility service to be disconnected prior to closing.

Municipal utilities, if any, shall be prorated as of the date of closing. All other utilities shall be transferred or terminated by the parties as of the date of closing.

CLOSING COSTS AND RESPONSIBILITIES

Unless otherwise agreed in writing, closing costs and responsibilities shall be allocated as follows:

SELLER SHALL PAY:

- Owner’s Title Insurance Premium
- Peninsula Title Agency, Inc. Closing Fee (\$500.00)
- Fraud Prevention Fee (\$50.00)
- Michigan Transfer Tax (\$8.60 per \$1,000 of purchase price)
- Deed Preparation Fee (\$90-\$170)
- Recording Fees for Clearing Title (\$30 per document)

BUYER SHALL PAY:

- Recording Fees (\$30 per document)
- Tax Certification Fee (\$5.00)
- Fraud Prevention Fee (\$50.00)
- All lender-related costs, including but not limited to:
 - Lender’s Title Insurance Premium
 - Peninsula Title Agency, Inc. Loan Closing Fee (\$200.00)
 - Any lender-required fees

Buyer and Seller acknowledge and agree to the closing costs and responsibilities as outlined above.

Seller Initials _____ **Buyer Initials** _____

OR the parties may agree to the following alternative allocation of closing costs and as set forth below:

Seller Initials _____ **Buyer Initials** _____

PRORATIONS

- Real estate taxes shall be prorated as of the date of closing based on a calendar year in arrears using the most recent available tax information.
- Real estate taxes will not be prorated.

Seller shall pay all prior year's real estate taxes and special assessments due.

NOTICES

Any notice required under this Agreement shall be in writing and shall be deemed given when delivered personally, sent by email or other electronic transmission, or deposited in the United States mail, addressed to the parties at the contact information provided, or as otherwise designated in writing.

DEFAULT

The failure of Seller to convey marketable title shall be governed by the Evidence of Title section and shall not constitute a default.

If Buyer defaults under the terms of this Agreement, Seller may retain the earnest money deposit as liquidated damages. *If Peninsula Title Agency, Inc. is holding these funds, refer to the Earnest Money Escrow Agreement.*

If Seller defaults under the terms of this Agreement, Buyer shall be entitled to the return of the earnest money deposit and may pursue remedies available at law or in equity. In addition, Buyer may recover reasonable out-of-pocket expenses incurred in connection with this transaction, including inspection, appraisal, and credit report costs. *If Peninsula Title Agency, Inc. is holding these funds, refer to the Earnest Money Escrow Agreement.*

MICHIGAN DISCLOSURES

LAND DIVISION ACT (For unplatted property):

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 _____ division(s) under Section 108 of the Michigan Land Division Act, Act No. 288 of the Public Acts of 1967, as amended. Seller does not represent or warrant that any future divisions are available. If this space is left blank, no division rights are granted.
- (b) This property may be located within the vicinity of farmland 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.

Seller agrees to complete and file Form L4260a (Notice to Assessor of Transfer of the Right to Make a Division of Land) within the time required by law, if applicable.

FEDERAL DISCLOSURES

LEAD-BASED PAINT WARNING STATEMENT

Every Buyer of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory.

Buyer has the right to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards at Buyer's expense for a period of ten (10) days after acceptance of this Agreement, unless the parties mutually agree in writing to a different period.

The parties agree to execute a separate Lead-Based Paint Disclosure form, if applicable.

GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

SOLE CONTRACT

This Agreement constitutes the entire agreement. Amendments must be in writing. Terms bind heirs and survive closing.

This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.

Electronic signatures and copies of this Agreement shall be deemed valid and binding for all purposes.

The parties acknowledge that they have read and understand this Agreement and agree to be bound by its terms.

ADDITIONAL CONDITIONS

The parties may set forth any additional terms or conditions agreed to in connection with this transaction below. Any such terms shall be incorporated into and made part of this Agreement.

EXECUTION

The parties have executed this Agreement as of the Effective Date set forth above.

SIGNATURES

BUYER

DATE: _____

Signature: _____

Print name: _____

Signature: _____

Print name: _____

SELLER:

DATE: _____

Signature: _____

Print name: _____

Signature: _____

Print name: _____