

REAL ESTATE SALE PACKAGE

Cislo

*The name
to trust
for title
protection
and
escrow
service*



CISLO TITLE COMPANY
Title Insurance & Escrow Services

www.cislotitle.com



To Whom It May Concern:

Thank you for choosing **Cislo Title Company** as your title insurance and escrow agent. We understand that buying or selling a new home can feel like a daunting task; we at **Cislo Title Company** are here to help. This package contains all the standard information and documents you'll need to begin the process of transferring the property from the Seller to the Purchaser. We will help guide you through the closing process, contact the Seller's lender to obtain payoffs, verify local and county records, and prepare, with your direction, all the documents for your closing. To begin the process, the Purchasers, Sellers and any Agents will need to complete the enclosed documents and forward them to **Cislo Title Company**. Remember, all Sellers, Purchasers, and Agents must sign the documents, including the Seller's spouse and the Purchaser's spouse if he or she will be a party to a loan.

For a title insurance quote, please contact your local Cislo Title Branch office.

FLINT - Main Office

1208 S. Saginaw Street
Flint, Michigan 48502
Phone : (810) 239-0400
Fax : (810) 239-0602
Email: flint@cislotitle.com

BRIGHTON

7701 Grand River Avenue, Suite 300
Brighton, Michigan 48114
Phone: (810) 588-4302
Fax: (810) 522-6143
Email: brighton@cislotitle.com

GRAND BLANC

8273 S. Saginaw Street, Suite D
Grand Blanc, Michigan 48439
Office: (810) 553-6141
Fax: (810) 866-4534
Email: grandblanc@cislotitle.com

ANN ARBOR

3135 S. State Street, Suite 205
Ann Arbor, Michigan 48108
Phone : (734) 663-4840
Fax : (734) 663-4755
Email: annarbor@cislotitle.com

CLINTON TOWNSHIP

44480 Hayes Road
Clinton Township, Michigan 48038
Phone: (586) 799-3338
Fax: (586) 221-1615
Email: clintontwp@cislotitle.com

LAPEER

1122 S. Lapeer Road, Suite A
Lapeer, Michigan 48446
Phone: (810) 245-6950
Fax: (810) 245-6951
Email: lapeer@cislotitle.com

BLOOMFIELD HILLS

40700 Woodward Avenue, Suite 300
Bloomfield Hills, Michigan 48304
Phone: (248) 594-0975
Fax: (248) 594-0983
Email: bloomfieldhills@cislotitle.com

FENTON

17440 Silver Parkway
Fenton, Michigan 48430
Phone: (810) 714- 2973
Fax: (810) 714-2975
Email: fenton@cislotitle.com

OWOSSO

220 W. Main Street, Suite B
Owosso, Michigan 48867
Phone: (989) 472-4900
Fax: (989) 472-4904
Email: owosso@cislotitle.com

NORTHVILLE/LIVONIA

Closing Location- Located at AmeriCenter
39111 West Six Mile Road
Livonia, Michigan 48152

Please Note: **Cislo Title Company** is not a licensed real estate agent or practicing attorney. Please contact one of our offices for a list of licensed real estate professionals, should you decide to list your home. If you contract with a real estate professional that **Cislo Title Company** is not affiliated with, please request they use **Cislo Title Company** for your title insurance and escrow needs. Also, we can provide the purchaser of your home with a list of lending institutions and loan officers should they need assistance with financing. Michigan law does prohibit **Cislo Title Company** from providing legal advice.

Sincerely,

Cislo Title Company

REAL ESTATE BUY AND SELL AGREEMENT

Date: _____

Seller(s): _____ and
(Print full legal names of ALL Sellers and their marital status)

Purchaser(s): _____
(Print full legal names of ALL Purchasers and their marital status)

hereby offers and agrees to sell/purchase the following land:

Property Description: Situated in the: City, Township, or Village of _____, _____ County, Michigan, described as:
(legal) _____

Street Address: _____, Parcel ID: _____, together with all improvements and appurtenances, including all lighting fixtures, attached water purification system, bulbs; all window treatments, blinds, shades & hardware; wall to wall and/or attached carpeting; fireplace screen(s), glass doors(s), gas logs, insert(s) & grate(s); ventilating fixtures, storm windows and storm doors, screens, awnings, garage door opener(s), including any transmitter(s); water softener (unless rented), built-in kitchen equipment, attached mirrors, all ceiling fans, all attached shelving and attached work benches, attached humidifiers, stationary laundry tubs, water pressure tank; TV antenna, rotors and controls, satellite dish & accessories; security systems (unless rented), mailboxes, all support equipment for pools, attached outdoor grill(s), detached buildings, all landscaping, fence(s), fuel in tanks(s), if any, gas conversion unit and permit, subsurface rights; plus any and all items and fixtures permanently affixed to the property and also including the following items:

Sales Price: For the sum of _____ dollars, (\$ _____) subject to all existing building and use restrictions, easements, right-of-way and zoning ordinances affecting the use of the property, if any, upon the following conditions:

THE SALE TO BE CONSUMMATED BY: All moneys must be paid in form of certified funds. The sale will be completed by the following method indicated as marked below (others do not apply): **Check one of 5 below, and fill in the applicable lines.**

☐ **Cash Sale:** Delivery of the usual Warranty Deed conveying a marketable title. Payment of purchase money is to be made in certified check.

☐ **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. This agreement is contingent upon the Purchaser(s) being able to secure a _____ mortgage for a term of _____ years in the amount of \$ _____, and pay \$ _____ down plus mortgage costs, prepaid items and adjustments in cash, unless otherwise stated. Purchaser agrees to make formal application for such mortgage at Purchaser's expense within _____ calendar days from Seller's acceptance of this offer. Purchaser agrees to promptly comply with lender's request for information required to process the loan application. Purchaser agrees to obtain a policy of flood insurance if required by the mortgage lender. If a firm commitment for such mortgage cannot be obtained within _____ calendar days from date of Seller's acceptance, this offer shall be declared null and void and the deposit shall be returned to the Purchaser unless time has been previously extended, in writing, by both the Purchaser and Seller, (A commitment subject to the sale or closing of Purchasers present home is not a firm mortgage commitment). ☐ **F.H.A. Addendum is attached**

☐ **Sale to Existing Mortgage:** Delivery of the usual Warranty Deed conveying a marketable title, subject to mortgage to be deducted from the purchase price. Payment of purchase money is to be made in 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 _____ per cent, which mortgage requires payments of \$ _____ Dollars on the _____ day of each and every month, which payments DO, DO NOT include prepaid taxes and insurance. If Seller has any accumulated funds held in escrow for the payment for any prepaid items, the purchaser agrees to reimburse the Seller upon proper assignment of it. The Purchaser agrees to assume and pay said mortgage according to the terms thereof.

☐ **Sale on Land Contract:** See attached "SALE ON LAND CONTRACT ADDENDUM" made a part hereof.

☐ **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 and conveyance of the vendee's interest in the land contract, with an agreement by the undersigned to assume the balance owing thereon, will be accepted in lieu of the contract proposed in the preceding paragraph. If the Seller has any accumulated funds held in escrow for the payment of prepaid taxes or insurance, the Purchaser agrees to reimburse the Seller upon the proper assignment of it.

Purchaser initials ____/____

Seller initials ____/____

Evidence of Title: As evidence of title, Seller agrees to furnish Purchaser as soon as possible, without expense to Purchaser, a complete commitment for and ALTA Homeowner's Policy of Title Insurance, issued by CISLO TITLE COMPANY, in an amount not less than the purchase price, bearing date later than the acceptance hereof and guaranteeing the title in the condition required for performance of this agreement no later than _____ calendar days prior to closing.

Title Objections: If objection to the title is made, based upon a written opinion of Purchaser's attorney that the title is not in the condition required for performance hereunder, the Seller shall have 30 days from the date he is notified in writing of the particular defects claimed, either (1) to remedy the title, or (2) to obtain title insurance as required above, or (3) to refund the deposit in full termination of this agreement if unable to remedy the title or obtain title insurance. If the Seller remedies the title or shall obtain such commitment for a title policy within the time specified, the Purchaser agrees to complete the sale within 10 days of written notification thereof. If the Seller is unable to remedy the title or obtain title insurance within the time specified, the deposit shall be refunded forthwith in full termination of this agreement.

Time of Closing: If this offer is accepted by the Seller and if title can be conveyed in the condition required hereunder, the Purchaser agrees to complete the sale on or about _____, but no later than _____ unless otherwise mutually agreed in writing. However, if the sale is to be consummated in accordance with a new mortgage, then the closing will be governed by the time specified for obtaining a mortgage. The closing of this sale shall take place at the office of Cislo Title Company unless otherwise specified by the Seller and Purchaser.

Default: In the event of default by the Purchaser, the Seller may elect to enforce the terms hereof, or demand forfeit of Purchaser's earnest money deposit in full termination of this agreement. In the event of default by the Seller hereof, the Purchaser may, at his option, elect to enforce the terms hereof or demand, and be entitled to, an immediate refund of the entire earnest money deposit in full termination of this agreement upon execution of mutual release signed by the parties.

Possession: If the Seller occupies the property, it shall be vacated on or before _____ calendar days after closing, not later than 11:59 PM; from the date of the closing to the date of vacating property as agreed, SELLER SHALL PAY ☐ 1/30th of the Purchaser's principal & interest mortgage payment(s), taxes (1 year), and homeowners, flood, & mortgage insurance (1 year), or ☐ the sum of \$ _____ per day. The Escrow Agent shall retain from the amount due Seller at closing the sum of \$ _____ security for said occupancy charge, paying to the Purchaser the amount due him and returning to the Seller the unused portion as determined by date property is vacated and keys surrendered to Broker, Escrow Agent, or Purchaser. Seller and Purchaser agree to execute a Mutual Release of Rent Escrow Agreement. If tenants occupy the property, possession shall be granted at closing, unless otherwise agreed in writing. Broker or Escrow Agent has no obligation implied or otherwise to assure that the premises are vacated or for the condition of the property, and is only acting as an escrow agent.

Taxes and Prorated Items: The Seller(s) shall pay all taxes and assessments for which tax bills have been issued at date of this agreement. The current year taxes, if any, shall be prorated and adjusted indicated by "X" below. **Check one of 4 statements below**

☐ **Advance/Fiscal Year Proration:** Taxes are to be prorated as being paid in advance using the most current summer/city and winter/county property tax bill, from the day of closing to the next due date. The tax amounts shall be prorated based on a ☐ **360-day year, 30-day month** OR ☐ **365-day year, or 366-day year** when the closing takes place in a leap year, and credited to the seller.

☐ **Arrears/Fiscal Year Proration:** Taxes are to be prorated as being paid in arrears using the most current summer/city and winter/county property tax bill, from the due date to the day of closing. The tax amounts shall be prorated based on a ☐ **360-day year, 30-day month** OR ☐ **365-day year, or 366-day year** when the closing takes place in a leap year, and credited to the buyer. All taxes billed prior to closing shall be paid by the Seller.

☐ **Arrears/Calendar Year Proration:** 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.

☐ **No Tax Proration:** Subject to the foregoing proration's, delinquent real estate taxes and current installments of special assessments, except perpetual assessments, (i.e. garbage, lighting, fire protection), which are billed on or before the closing date shall be paid by Seller. Real Estate taxes billed after the date of closing shall be the responsibility of the Purchaser. Any unbilled public improvements/special assessment outstanding at the time of closing shall be the responsibility of the _____. Seller shall pay any current municipal charges for water and sewage to the date of possession.

Other Prorated Items: Interest, rents, association fees, heating fuel, if any, will be prorated to the date of closing using the actual number of days in the month of the closing.

Purchaser initials ____/____

Seller initials ____/____

Special Assessments: The Seller(s) will pay all installments of any special assessments that have been billed prior to time of closing. Billing dates shall be deemed to be ☐ July 1st, and December 1st; or ☐ other _____ installments billed on or after the date of closing will be handled as follows: **Check one of 3 statements below**

- ☐ **Prorated and Assumed:** The current installments will be prorated at closing as having been paid in advance. The Purchaser will assume future installments.
- ☐ **Paid in Full:** The Seller will pay off all balances of any assessments that are a lien against the land/property at the time of closing.
- ☐ **Other:** _____.

Sewer and Water Escrow: The Seller agrees to pay for all sewer and water usage to the date the property is vacated.

- ☐ The Listing Broker shall retain from the amount due to the seller at closing, a minimum of \$200.00 for water/sewer charges.
- ☐ Purchaser and Seller agree to waive the requirement to hold a sewer/water escrow and agree to pay charges outside of closing.

Earnest Money Deposit: Purchaser deposits \$ _____ dollars in the form of cash or check showing good faith. This money, which will be applied to the sales price, will be deposited with _____. If the conditions/contingencies in this contract cannot be met, Seller will refund the deposit or authorize Cislo Title Company to refund the deposit. The transaction is subject to an Escrow Agreement executed between the parties. Upon refund of the earnest money deposit, the parties agree that they will execute a Mutual Release of Buy & Sell Agreement, releasing each party from this contract and noting the amount and the party that the earnest money deposit is going to. The parties further agree that upon the return of the earnest money deposit, this agreement will be terminated and the Seller is free to market and sell the property to any other Purchaser. **(If earnest money is to be held by Cislo Title Company complete and attach the Earnest Money Deposit Escrow Agreement Form.)**

Disclosure of Fees: Purchaser and Seller hereby acknowledge notice of the fact the Real Estate Broker may accept a commission, fee or consideration with regard to placement of an abstract, loan or mortgage, life, fire, flood, title or other casualty insurance arising from this transaction and expressly consent thereto as required by the provisions of the Michigan Real Estate License Law.

Joint Parties: If two or more persons execute this Agreement as Purchaser or Seller, their obligations hereunder shall be joint and several.

Parties to Contract: Purchaser and Seller recognize that the Real Estate Brokers, and Title Company involved in this transaction are agents of the Purchaser and/or Seller and are not parties to this contract. Purchaser and Seller agree that Real Estate Broker and Title Company are not responsible for the condition of property or for the performance of the contract by any or all of the parties. Cislo Title Company is not responsible for alterations or additions to this document, for any error regarding the terms of the transaction based upon information supplied by the parties, for misrepresentations made by any party, or for warranties made by any party in connection with the transaction.

Maintenance of Premises: Seller agrees to maintain the premises, including landscaping, in the same condition as existing at acceptance of this offer until possession is delivered to Purchaser. In the event the property has been winterized, it shall be the obligation and the expense of the Seller to de-winterize it and have the property and its systems in proper working order at least 48 hours prior to closing. Purchaser shall have the right to physically examine the premises during the last 48 hours before scheduled closing. Seller agrees to remove all personal property, and further, to leave the premises broom clean and free of debris upon vacating.

Time of the Essence: With respect to this agreement, the parties agree that no extensions of time limits are binding unless specifically agreed to in writing.

Binding Effect: This Purchase Agreement shall bind and inure to the benefit of the executors, administrators, successors and assigns of the respective parties.

Closing Fees: Purchaser(s) and Seller(s) agree to pay closing fees as may be charged by the Broker or Cislo Title Company supervising the closing.

"AS IS": Purchaser clearly understand that they are purchasing a USED structure in "AS IS" condition. Purchaser acknowledges that: (a) they have examined the property; (b) they have had the opportunity to have additional inspections; (c) neither Seller nor any Broker or Agent involved in this transaction has made any representations or warranties of any kind concerning the property upon which the Purchaser have placed reliance, and (d) Seller's representations as contained in the "Sellers Disclosure Statement" are based upon Seller's knowledge and do not constitute a warranty concerning the condition of the property.

Attorney Review: It is recommended, and Purchaser and Seller are hereby advised that they may have this agreement reviewed by an attorney within 10 calendar days from date of Seller acceptance. If written notice of unsatisfactory review is not provided to the other party within 20 calendar days from date of Seller's acceptance, this paragraph will be considered void and satisfactory review assumed. If either party is provided written notice within 20 calendar days from date of Seller's acceptance that the other party's attorney is not satisfied with said agreement, this sale will be null and void and all earnest money deposit refunded to Purchaser.

Purchaser initials ____/____

Seller initials ____/____

Home Inspection: Purchaser is hereby advised that private inspector(s) of Purchaser's choice and at Purchaser's expense may inspect the property, within _____ calendar days from date of Seller's acceptance. It is recommended that Purchaser obtain a fully independent inspection including, but not limited to, general house inspection, infestation, radon, UFFI, lead based paint, and environmental hazards. Purchaser is aware that any reference to the square footage and room dimension of the real property or improvements thereon is approximate. If square footage and room dimension is a significant issue to the Purchaser, it must be verified during the inspection period. If Seller is not provided with written notice of Purchaser's dissatisfaction regarding said inspection within 24 hours from the date the final inspection took place, this contingency will be considered satisfied and this agreement without regard to said report.

IF PURCHASER ELECT TO WAIVE THEIR INSPECTION OPPORTUNITY, as stated above, they acknowledge that they are doing so against the advice of all parties involved in this transaction by placing their initials here: Purchaser initials ____/____

Well & Septic System: If the property is serviced by a well and/or septic system, Seller shall provide to Purchaser within _____ calendar days, at Seller's expense, and deliver to the Purchaser prior to closing, an inspection report by the county health department or other qualified inspector. Seller represents that the well water is potable and that the well and septic system, if any, are in good working order or as disclosed. Purchaser shall have the right to terminate this agreement if the inspection report is not acceptable to the Purchaser by giving Seller written notice within 72 hours thereafter.

IF PURCHASER ELECT TO WAIVE THEIR WELL & SEPTIC INSPECTION OPPORTUNITY, as stated above, they acknowledge that they are doing so against the advice of all parties involved in this transaction by placing their initials here: Purchaser initials ____/____

City Certifications: If the municipality where the property is located requires an inspection prior to a sale, Seller will pay for the necessary inspection and any required repairs needed up to \$ _____ to obtain a written approval of the municipality required for the sale.

Warranty Plans: Purchaser and Seller are hereby notified of the benefits of having the property covered by a home warranty plan and are aware that the plan may be purchased by either of the parties. ☐ Seller ☐ Purchaser agrees to purchase, at their expense, a home warranty plan from **First American Home Purchasers Protection Corporation**. (See Home Warranty Application)

Facsimile Authority: It is agreed to by all parties herein that offers, acceptances and notices required hereunder can be delivered by facsimile (FAX) copy to the parties or their agents, provided it is readable and a hard copy (original signed copy) is mailed or delivered in a timely manner and the date and time of the receipt of the fax shall be the date and time of said offer acceptance or notice.

Sellers Disclosure: Seller to have a "Sellers Disclosure Statement" as required by law of the State of Michigan personally delivered to Purchaser within 10 calendar days after this agreement becomes binding. Purchaser shall have the right to terminate this agreement if the "Sellers Disclosure Statement" is not acceptable to the Purchaser by giving Seller written notice within 72 hours thereafter.

Lead-Base Paint: Seller to have a "Lead-Base Paint Disclosure" as required by law of the State of Michigan personally delivered to Purchaser within 10 calendar days after this agreement becomes binding. Purchaser shall have the right to terminate this agreement if the "Lead-Base Paint Disclosure" is not acceptable to the Purchaser by giving Seller written notice within 72 hours thereafter.

Associations: See "Association Addendum to Sales Agreement" if property is subject to an association and/or annual fees such as a condominium or townhouse.

Signatures: All parties agree that facsimile signatures shall be treated as originals.

Offer: This offer is void if not accepted by _____ AM/PM on _____ and the deposit shall be returned to Purchaser(s).

Counter Offer: In the event Seller makes any written changes in any of the terms and conditions of the offer presented by Purchaser, such changed terms and conditions, if supported with initials and signatures by Seller, shall constitute a counter offer by Seller to Purchaser which shall remain valid until _____ AM/PM on _____, unless earlier withdrawn in writing by Seller, and shall require acceptance by the Purchaser by initialing each change before such date and time.

Binding Arbitration: Any controversy or claim arising out of or relating to this contract shall be settled by arbitration in accordance with the commercial Arbitration Rules of the American Arbitration Association, as an alternative to the judicial system.

Additional Conditions: _____

Purchaser initials ____/____

Seller initials ____/____

Acknowledgment: Purchaser and Seller further hereby acknowledge that they have read this entire agreement including all of the printed language on both sides of the agreement and that they understand it, agree to be bound by its terms, and that it is the complete and exclusive statement of their agreement which supersedes and takes the place of all prior representations, understandings and agreements, both oral and written, of the parties, their Brokers or other parties concerning the subject matter of this purchase agreement. (NO VERBAL AGREEMENT SHALL BE BINDING)

IF YOU DO NOT UNDERSTAND THE TERMS AND CONDITIONS OF THIS AGREEMENT, YOU SHOULD SEEK LEGAL ADVICE BEFORE SIGNING BELOW.

PURCHASER(S) SIGNATURE(S) (AS NAMES ARE TO APPEAR ON TITLE). Purchaser has received a copy of this contract.

Signature: _____ **Date:** _____

Print Name: _____ **Home Phone:** _____ **Work Phone:** _____

Address: _____ **Email:** _____

Signature: _____ **Date:** _____

Print Name: _____ **Home Phone:** _____ **Work Phone:** _____

Address: _____ **Email:** _____

Signature: _____ **Date:** _____

Print Name: _____ **Home Phone:** _____ **Work Phone:** _____

Address: _____ **Email:** _____

Signature: _____ **Date:** _____

Print Name: _____ **Home Phone:** _____ **Work Phone:** _____

Address: _____ **Email:** _____

SELLER(S) ACCEPTANCE: ☐ Seller accepts this contract (as written). OR ☐ Seller has signed below, but this agreement is subject to AN ADDENDUM TO THIS PURCHASE AGREEMENT, ATTACHED AND MADE A PART OF THIS AGREEMENT.

SELLER(S) SIGNATURE(S)

Signature: _____ **Date:** _____

Print Name: _____ **Home Phone:** _____ **Work Phone:** _____

Address: _____ **Email:** _____

Signature: _____ **Date:** _____

Print Name: _____ **Home Phone:** _____ **Work Phone:** _____

Address: _____ **Email:** _____

Signature: _____ **Date:** _____

Print Name: _____ **Home Phone:** _____ **Work Phone:** _____

Address: _____ **Email:** _____

Signature: _____ **Date:** _____

Print Name: _____ **Home Phone:** _____ **Work Phone:** _____

Address: _____ **Email:** _____

PURCHASER(S) ACCEPTANCE(S). Purchaser acknowledges Seller's acceptance of this contract.

Signature: _____

Signature: _____

Signature: _____

Signature: _____

Purchaser initials ____/____

Seller initials ____/____

LISTING BROKER SIGNATURE

Signature: _____ **Date:** _____

Print Name: _____ **Company Name:** _____

Work Phone: _____ **Fax Phone:** _____ **Email:** _____

Company Address: _____

SELLING BROKER SIGNATURE

Signature: _____ **Date:** _____

Print Name: _____ **Company Name:** _____

Work Phone: _____ **Fax Phone:** _____ **Email:** _____

Company Address: _____

Purchaser initials ____/____

Seller initials ____/____

EARNEST MONEY DEPOSIT ESCROW AGREEMENT

AGREEMENT between _____ (Seller),
_____ (Buyer), and Cislo Title Company (Escrow Agent).

Simultaneously with the making of this Agreement, Seller and Buyer have entered into a contract (Contract) by which Seller will sell to Buyer the following property:

The closing will take place at the offices of Cislo Title Company, or at such other place as Seller and Buyer may jointly designate in writing. Pursuant to the Contract, Buyer must deposit _____ as an earnest money deposit to be held by Escrow Agent.

The _____ earnest money deposit referred to hereinabove has been paid by Buyer to Escrow Agent. Escrow Agent acknowledges receipt of _____ from Buyer by check, subject to collection.

Seller and Buyer understand that they will not be entitled to earn interest on earnest money deposit.

If the closing takes place under the Contract, Escrow Agent, at the time of closing, shall pay the amount deposited with Agent to Seller or in accordance with Seller's written instructions. Escrow Agent shall simultaneously transfer said property to the Buyer.

If no closing takes place under the Contract, Escrow Agent shall continue to hold the amount deposited until receipt of written authorization for its disposition signed by both Buyer and Seller. If there is any dispute as to whom Escrow Agent is to deliver the amount deposited, Escrow Agent does not receive a proper written authorization from Seller and Buyer, or if an action or proceeding to determine Seller's and Buyer's rights is not begun or diligently prosecuted, Escrow Agent is under no obligation to bring an action or proceeding in court to disburse the sum held, but may at its discretion file an Interpleading action as provided by law, and have no further liability under this agreement.

Escrow Agent assumes no liability except that of a stakeholder. Escrow Agent's duties are limited to those specifically set out in this Agreement. Escrow Agent shall incur no liability to anyone except for willful misconduct or gross negligence so long as the Escrow Agent acts in good faith. Seller and Buyer release Escrow Agent from any act done or omitted in good faith in the performance of Escrow Agent's duties. Therefore, Seller and Buyer agree to reimburse Escrow Agent for any reasonable expenses incurred as a result of litigation.

Whereof the parties sign their names on this day: _____

Signed in the presence of:

Witness

Buyer

Witness

Buyer

Witness

Seller

Witness

Seller

Date: _____

made by _____

Dated _____

Property Address: _____ Parcel ID: _____

[illegible]

The herein agreement upon its execution by both parties is herewith made an integral part of the above mentioned agreement of sale.

Purchaser: _____

Purchaser: _____

Purchaser: _____

Purchaser: _____

Seller: _____

Seller: _____

Seller: _____

Seller: _____

ASSOCIATION ADDENDUM TO SALES AGREEMENT

Date: _____

The offer to purchase the real property commonly known as _____

made by _____

Agreement Dated _____

Property Address: _____ Parcel ID: _____

Association Name: _____ Contact Name: _____ Phone Number: _____

Address: _____

Association Approval: If the association documents require that the purchaser apply and be approved for membership in the Association, the Purchaser agrees to apply within 15 calendar days after receiving the necessary application forms. If, for any reason, the Association refuses to approve the Purchaser for membership, or withholds approval beyond the date of the next scheduled Association Board of Directors meeting after the Purchaser's application has been submitted, this agreement shall be cancelled and all earnest money shall be returned to the Purchaser.

Inspection of Master Deed: This offer is contingent upon the Purchaser's inspection and approval of the Master Deed, By-Laws, Amendments and most recent Financial Statements of the Association. Such inspection and approval shall be made within 5 calendar days after delivery, by the Seller of said documents to the Purchaser. Delivery shall be in care of the Purchaser within 10 calendar days after date of the Purchaser's receipt of the Seller's acceptance of this offer. Unless the Purchaser notifies the Seller in writing, within 5 calendar days, of the Purchaser's dissatisfaction with the provisions contained in these documents and return said documents to the Seller, this contingency shall be deemed waived. Upon proper notification in writing of the Purchaser's dissatisfaction, this agreement shall be VOID. All earnest money deposits shall be returned to the Purchaser upon the Purchaser and the Seller signing a mutual Release of Purchase Agreement.

Working Capital: It is mutually agreed that all Association Funds, variously described as: working capital deposit, initial operating capital deposit, reserve account, capital expenditure reserve, the Seller's equity in Association Funds, insurance reserve fund or prepaid insurance, or any funds other than monthly Association dues/fees shall be included within the purchase price and assigned to the Purchaser, excepting only where the Association documents of the association being purchased specifically calls for reimbursement of such funds to the Seller.

Transfer Fees: Association and/or Management Company Transfer fees, if any, shall be paid by ☐ Buyer ☐ Seller ☐ Split 50/50 between Buyer and Seller at closing.

Association Assessments: Association assessments, if any, confirmed prior to closing shall be paid by the Seller(s) at closing.

Association Dues: The Purchaser(s) understands the association fee is: \$ _____ monthly and includes: _____ and any additional items as covered in the Association Documents.

The herein agreement upon its execution by both parties is herewith made an integral part of the above mentioned agreement of sale.

Witness: _____

Purchaser: _____

Witness: _____

Purchaser: _____

Witness: _____

Purchaser: _____

Witness: _____

Purchaser: _____

Witness: _____

Seller: _____

Witness: _____

Seller: _____

Witness: _____

Seller: _____

Witness: _____

Seller: _____

SELLER'S DISCLOSURE STATEMENT



Property Address: _____, Michigan
 Street City, Village, Township

Purpose of Statement: This statement is a disclosure of the condition of the property in compliance with the Seller Disclosure Act. This statement is a disclosure of the condition and information concerning the property, known by the Seller. Unless otherwise advised, the Seller does not possess any expertise in construction, architecture, engineering or any other specific area related to the construction or conditions of the improvements on the property or the land. Also, unless otherwise advised, the Seller has not conducted any inspection of generally inaccessible areas such as the foundation or roof. This statement is not a warranty of any kind by the Seller or by any Agent representing the Seller in this transaction and is not a substitute for any inspections or warranties the Buyer may wish to obtain.

Seller's Disclosure: The Seller discloses the following information with the knowledge that even though this is not a warranty, the Seller specifically makes the following representations based on the Seller's knowledge at the signing of this document. Upon receiving this statement from the Seller, the Seller's Agent is required to provide a copy to the Buyer or the Agent of the Buyer. The Seller authorizes its Agent(s) to provide a copy of this statement to any prospective Buyer in connection with any actual or anticipated sale of property. The following are representations made solely by the Seller and are not the representations of the Seller's agent(s), if any. This information is a disclosure only and is not intended to be part of any contract between Buyer and Seller.

Instructions to the Seller: (1) Answer ALL questions. (2) Report known conditions affecting the property. (3) Attach additional pages with your signature if additional space is required. (4) Complete this form yourself. (5) If some items do not apply to your property, check N/A (non-applicable). If you do not know the facts, check "UNKNOWN". FAILURE TO PROVIDE A PURCHASER WITH A SIGNED DISCLOSURE STATEMENT WILL ENABLE PURCHASER TO TERMINATE AN OTHERWISE BINDING PURCHASE AGREEMENT.

Appliances/Systems/Services: The items below are in working order. (The items listed below are included in the sale of the property only if the purchase agreement so provides.)

	Yes	No	Unknown	N/A		Yes	No	Unknown	N/A
Range/ Oven	_____	_____	_____	_____	Lawn sprinkler system	_____	_____	_____	_____
Dishwasher	_____	_____	_____	_____	Water heater	_____	_____	_____	_____
Refrigerator	_____	_____	_____	_____	Plumbing system	_____	_____	_____	_____
Hood/Fan	_____	_____	_____	_____	Water softener/	_____	_____	_____	_____
Disposal	_____	_____	_____	_____	Conditioner	_____	_____	_____	_____
TV antenna, TV rotor	_____	_____	_____	_____	Well & pump	_____	_____	_____	_____
&	_____	_____	_____	_____		_____	_____	_____	_____
Controls	_____	_____	_____	_____	Septic tank & drain	_____	_____	_____	_____
Electrical System	_____	_____	_____	_____	field	_____	_____	_____	_____
Garage door opener	_____	_____	_____	_____	Sump pump	_____	_____	_____	_____
&	_____	_____	_____	_____		_____	_____	_____	_____
Remote control	_____	_____	_____	_____	City water system	_____	_____	_____	_____
Alarm system	_____	_____	_____	_____	City sewer system	_____	_____	_____	_____
Intercom	_____	_____	_____	_____	Central air	_____	_____	_____	_____
	_____	_____	_____	_____	conditioning	_____	_____	_____	_____
Central Vacuum	_____	_____	_____	_____	Central heating	_____	_____	_____	_____
	_____	_____	_____	_____	system	_____	_____	_____	_____
Attic fan	_____	_____	_____	_____	Furnace	_____	_____	_____	_____
Pool heater, wall liner	_____	_____	_____	_____	Humidifier	_____	_____	_____	_____
& equipment	_____	_____	_____	_____	Electronic air filter	_____	_____	_____	_____
Microwave	_____	_____	_____	_____	Solar heating system	_____	_____	_____	_____
Trash compactor	_____	_____	_____	_____	Fireplace & chimney	_____	_____	_____	_____
Ceiling fan	_____	_____	_____	_____	Wood burning system	_____	_____	_____	_____
Sauna/ hot tub	_____	_____	_____	_____	Dryer	_____	_____	_____	_____
Washer	_____	_____	_____	_____		_____	_____	_____	_____

Explanations (attach additional sheets, if necessary): _____

UNLESS OTHERWISE AGREED ALL HOUSEHOLD APPLIANCES ARE SOLD IN WORKING ORDER EXCEPT AS NOTED, WITHOUT WARRANTY BEYOND DATE OF CLOSING.

Property conditions, improvements & additional information:

- Basement/Crawlspace:** Has there been evidence of water? Yes _____ No _____
 If yes, please explain: _____
- Insulation:** Describe, if known _____
 Urea Formaldehyde foam insulation (UFFI) is installed? Unknown _____ Yes _____ No _____
- Roof:** Leaks? Yes _____ No _____
 Approximate age, if known _____
- Well:** Type of well (depth / diameter), age and repair history, if known _____
 Has the water been tested? Yes _____ No _____
 If yes, date of last report / results _____
- Septic tanks/drain fields:** Condition, if known _____
- Heating system:** Type/approximate age _____
- Plumbing system:** Type copper _____ galvanized _____ other _____
 Any known problems? _____

8. **Electrical system:** Any known problems? _____
9. **History of infestation,** if any (termites, carpenter ants, etc.) _____
10. **Environmental problems:** Substances, materials or products that may be an environmental hazard such as, but not limited to, asbestos, radon gas, formaldehyde, lead-based paint, fuel of chemical storage tanks and contaminated soil on the property.
Unknown _____ Yes _____ No _____
- If yes, please explain: _____
11. **Flood Insurance:** Do you have flood insurance on the property? Unknown _____ Yes _____ No _____
12. **Mineral Rights:** Do you own the mineral rights? Unknown _____ Yes _____ No _____

Other Items: Are you aware of any of the following

1. Features of the property shared in common with adjoining landowners, such as walls, fences, roads, driveways or other features whose use or responsibility for maintenance may have an effect on the property? Unknown _____ Yes _____ No _____
2. Any encroachments, easements, zoning violations or nonconforming uses? Unknown _____ Yes _____ No _____
3. Any "common areas" (facilities like pools, tennis courts, walkways or other areas co-owned with others) or a homeowners association, which has any authority over the property? Unknown _____ Yes _____ No _____
4. Structural modification, alterations or repairs made without necessary permits or licensed contractors? Unknown _____ Yes _____ No _____
5. Settling, flooding, drainage, structural or grading problems? Unknown _____ Yes _____ No _____
6. Major damage to the property from fire, wind, floods, or landslides? Unknown _____ Yes _____ No _____
7. Any underground storage tanks? Unknown _____ Yes _____ No _____
8. Farm or farm operation in the vicinity; or proximity to a landfill, airport, shooting range, etc.? Unknown _____ Yes _____ No _____
9. Any outstanding utility assessments or fees, including any natural gas main extension surcharge? Unknown _____ Yes _____ No _____
10. Any outstanding municipal assessments or fees Unknown _____ Yes _____ No _____
11. Any pending litigation that could affect the property or the Seller's rights to convey the property? Unknown _____ Yes _____ No _____

If the answer to any of these questions is yes, please explain. Attach additional sheets, if necessary: _____

The Seller has lived in the residence on the property from _____ (date) to _____ (date).
The Seller has owned the property since _____ (date)

The Seller has indicated above the condition of all items based on that information known to the Seller. If any changes occur in the structural/mechanical/appliance systems of this property from the date of this form to the date of closing, Seller will immediately disclose the changes to Buyer. In no event shall the parties hold the Broker liable for any representations not directly made by the Broker or Broker's agent.

Seller certifies that the information in this statement is true and correct to the best of the Seller's knowledge as of the date of seller's signature.

BUYER SHOULD OBTAIN PROFESSIONAL ADVICE AND INSPECTIONS OF THE PROPERTY TO MORE FULLY DETERMINE THE CONDITION OF THE PROPERTY.

BUYER IS ALSO ADVISED THAT CERTAIN INFORMATION COMPILED PURSUANT TO THE SEX OFFENDERS REGISTRATION ACT, 1994 PA 295, MCL 28.721 TO 28.732 IS AVAILABLE TO THE PUBLIC. BUYERS SEEKING SUCH INFORMATION SHOULD CONTACT THE APPROPRIATE LOCAL LAW ENFORCEMENT AGENCY OR SHERIFF'S DEPARTMENT DIRECTLY.

BUYER IS ALSO ADVISED THAT THE STATE EQUALIZED VALUE OF THE PROPERTY, HOMESTEAD EXEMPTION INFORMATION AND OTHER REAL PROPERTY TAX INFORMATION IS AVAILABLE FROM THE APPROPRIATE LOCAL ASSESSOR'S OFFICE. BUYER SHOULD NOT ASSUME THAT BUYER'S FUTURE TAX BILLS ON THE PROPERTY WILL BE THE SAME AS THE SELLER'S PRESENT TAX BILLS. UNDER MICHIGAN LAW, REAL PROPERTY TAX OBLIGATIONS CAN CHANGE SIGNIFICANTLY WHEN PROPERTY IS TRANSFERRED.

Seller _____ Date _____

Seller _____ Date _____

Buyer has read and acknowledges receipt of this statement.

Buyer _____ Date _____ Time _____

Buyer _____ Date _____ Time _____

Disclaimer: This form is provided as a service of the Michigan Association of REALTORS® and Cisló Title Company. Please review both the form and details of the particular transaction to ensure that each section is appropriate for the transaction. The Michigan Association of REALTORS® and Cisló Title Company is not responsible for use or misuse of the form for misrepresentation or for warranties made in connection with the form.

DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS

Lead Warning Statement

Every purchaser 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. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) _____ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

(ii) _____ Seller has no knowledge of lead-based paint and/or lead-based hazards in the housing.

(b) Records and reports available to the Seller (check (i) or (ii) below):

(i) _____ Seller has provided the Purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

(ii) _____ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (initial)

(c) _____ Purchaser has received copies of all information listed above.

(d) _____ Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home*.

(e) Purchaser has (check (i) or (ii) below):

(i) _____ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii) _____ waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgement (initial)

(f) _____ Agent has informed the Seller of the Seller's obligations under 42 U.S.C. 4852d and is aware of his / her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify to the best of their knowledge, that the information they have provided is true and accurate.

Seller Date

Seller Date

Agent Date

Buyer Date

Buyer Date

Agent Date



FOR-SALE BY OWNER ORDER FORM

PROPERTY INFORMATION

Address	City/State	Zip Code	
Legal Description of Property			
Sales Price	Earnest Money Amount and Holder	Est. Closing Date	
Title Work Ordered By	Address	City/State	Zip Code
Phone No.	Fax No.	Today's Date	

SELLER'S INFORMATION

Full Name	Last/First/Middle	
Full Name	Last/First/Middle	
Address	City/State/Zip Code	
Daytime Phone No.	Evening Phone No.	Email Address
Attorney Name	Address	City/State/Zip Code
Phone Number	Fax No.	

BUYER'S INFORMATION

Full Name	Last/First/Middle		
Full Name	Last/First/Middle		
Address	City/State/Zip Code		
Daytime Phone No.	Evening Phone No.	Email Address	
Attorney Name	Address	City/State/Zip Code	
Phone No.	Fax No.		
New Mortgage Company	Address	City/State/Zip Code	
Loan Officer	Phone No.	Fax No.	Mortgage Amount

Please include the following items: Purchase Agreement & All Addendums, Previous Owners Policy, Payoff Authorization, and Home Warranty Application



SELLER'S PAYOFF AUTHORIZATION

PAYOFF LENDER INFORMATION:

Lender's Name: _____ Loan Number: _____
Lender's Address: _____ Phone Number: _____
Mortgagor(s) Name: _____
Mortgagor(s) SSN: _____
Property Address: _____

SELLER AUTHORIZATION

The above-referenced lender is hereby authorized to provide Cislo Title Company with a payoff statement as requested above. I understand that the lender may charge a fee for this service, and if so, understand it is my responsibility to pay this fee.

Seller

Seller

Print

Date

Print

Date

We hereby request a payoff statement for the above-referenced mortgage loan, including the principal balance, per diem, and interest due dated through _____.

Please FAX the Payoff Statement to the Cislo Title Company branch marked below:

"Cislo Title Company is committed to protecting your privacy and identity. This form contains non-public information and should only be returned securely to Cislo. If you are unable to deliver this information in person, please contact Cislo for other secure means of delivery."

☐ **Ann Arbor**

3135 S. State Street, Ste. 205, Ann Arbor, MI 48108
Phone (734) 663-4840 • Fax: (734) 663-4755

☐ **Bloomfield Hills**

40700 Woodward Ave., Ste. 300, Bloomfield Hills, MI 48304
Phone (248) 594-0975 • Fax (248) 692-0899

☐ **Brighton**

7701 Grand River Ave., Ste. 300, Brighton, MI 48114
Phone (810) 588-4302 • Fax (810) 522-6143

☐ **Clinton Township**

44480 Hayes Road, Clinton Twp., MI 48038
Phone (586) 799-3338 • Fax (586) 221-1615

☐ **Fenton**

17440 Silver Parkway, Fenton, MI 48430
Phone (810) 714-2973 • Fax (810) 714-2975

☐ **Flint**

1208 S. Saginaw Street, Flint, MI 48502
Phone (810) 239-0400 • Fax (810) 239-0602

☐ **Grand Blanc**

8273 S. Saginaw St., Ste. D, Grand Blanc, MI 48439
Phone (810) 553-6141 • Fax (810) 866-4534

☐ **Lapeer**

1122 S. Lapeer Rd., Ste. A, Lapeer, MI 48446
Phone (810) 245-6950 • Fax (810) 245-6951

☐ **Owosso**

220 W. Main St., Ste. B, Owosso, MI 48867
Phone (989) 472-4900 • Fax (989) 472-4904

SALE ON LAND CONTRACT ADDENDUM

FOR THE PROPERTY KNOWN AS:

SALE ON LAND CONTRACT. Payment of the sum of _____ Dollars, by cashier's check or certified check (no personal checks), and the execution of a universally accepted title company form acknowledging payment of that sum and calling for the payment of the remainder of the purchase money within ____ years from the date of the contract in monthly payments of not less than _____ Dollars each, which include interest payments at the rate of _____ % per annum and which DO ____ DO NOT ____ include prepaid taxes and insurance.

PLEASE INITIAL APPROPRIATE BOXES BELOW:

PAYMENT

1. Land Contract Principal and Interest payment \$ _____ APPLIES ____ DOES NOT APPLY ____

REAL ESTATE TAXES

2. Purchaser agrees to pay all taxes and special assessments when due and submit proof of payment to Seller before any penalty for non - payment attaches thereto. Payment to be made the taxing authority. APPLIES ____ DOES NOT APPLY ____

3. Purchaser agrees to pay an additional monthly amount of \$ _____ which is an estimate of 1/12 of the annual cost of taxes and special assessments, which shall be credited by the Seller to the principal balance. Seller shall pay said taxes and assessments before any penalty attaches and add amounts so paid to the principal balance of the contract. This amount maybe adjusted periodically to approximate the total sum required annually for taxes and assessments. APPLIES ____ DOES NOT APPLY ____

OR

4. Seller agrees to pay all taxes and special assessments when due and will add same to the Land Contract balance on the due date. (Be certain that monthly payments will cover interest, principal, and taxes.) APPLIES ____ DOES NOT APPLY ____

INSURANCE

5. Insurance will be paid in accordance with the method outlined in paragraph 2, 3, or 4 above (check one). (If paragraph 3 is selected, the monthly amount is \$ _____). APPLIES ____ DOES NOT APPLY ____

FIRST PAYMENT DUE

6. Purchaser's first monthly payment is due 30 days from the date of closing unless otherwise agreed in writing. Interest will begin to run from the closing date. If payments are to be due on the first of the month, place an "X" here _____. In this case, Purchaser will pay Interest at closing for the period from the closing date to the first of the following month and first payment will be due 30 days later. APPLIES ____ DOES NOT APPLY ____

OTHER

7. Purchaser is to supply, at his expense, to Seller a current credit report, employment letter(s) and financial statement not later than _____. If said information is not satisfactory to Seller or is not timely delivered, Seller may, within (2) days of receipt of the information, declare this sale null and void and all deposit monies will be returned. APPLIES ____ DOES NOT APPLY ____

8. In the event of payments are not received within ____ days from due date, a late fee of \$ _____ per payment shall be assessed. This is a service charge and is not interest. Purchaser further agrees and understands that assessment of the late fee does not constitute an election under the contract and the Seller may pursue any other remedies available in law or equity. (Note: This paragraph when applicable is to be copied verbatim in the additional conditions of the Land Contract document.) APPLIES ____ DOES NOT APPLY ____

9. Seller agrees to execute a Warranty Deed at closing to be placed in Escrow with title company providing settlement services. Purchaser agrees to pay the Deed Escrow Fee. APPLIES ____ DOES NOT APPLY ____

10. The property shall not be transferred by Purchaser without the written approval by Seller of the creditworthiness of any new Purchaser or Assignee. Approval will not be unreasonably withheld. APPLIES ____ DOES NOT APPLY ____

SALE ON LAND CONTRACT ADDENDUM (continued)

11. Purchaser and Seller understand that the regular monthly payments called for by the terms of the Land Contract will not pay the Land Contract amount owing in full by the end of the term of contract. There will be a substantial lump sum payment due from the Purchaser to Seller at that time. The amount of the lump sum payment shall be approximately \$ _____. APPLIES ____ DOES NOT APPLY ____

12. Purchaser understands that the Seller is under no obligation to extend this contract beyond the agreed upon termination date or to refinance the principal balance beyond said termination date, and the acceptance of payments beyond the termination date does not constitute an election of remedies. APPLIES ____ DOES NOT APPLY ____

13. The Contract to Purchase is contingent upon Purchaser obtaining and approving a land survey of the property within _____ days of Seller's acceptance of offer. Said survey to be done at Purchaser's expense. APPLIES ____ DOES NOT APPLY ____

14. There shall be no prepayment penalty to be assessed to Purchaser. Purchaser has the right to make lump sum payments to be applied to principal during the term of the contract. APPLIES ____ DOES NOT APPLY ____

15. Additional Conditions:

Seller has not represented to Purchaser that at the time required for payoff of this obligation there will be satisfactory mortgage financing available or that such financing will be at the rates currently available or lower.

ALL PARTIES SHOULD SEEK THE COUNSEL OF AN ATTORNEY AND AN ACCOUNTANT TO PROTECT THEIR INTEREST IN THIS TRANSACTION.

If there is an underlying mortgage on this property, the financial institution shall be contacted by the Seller prior to closing to determine if there are any special provisions or requirements if the property is sold on a Land Contract basis. Seller shall provide status of mortgage to Purchaser showing payments made are current each year, if requested.

Witness: _____

Witness: _____

Purchaser: _____

Seller: _____

Date: _____

Date: _____

Purchaser: _____

Seller: _____

Date: _____

Date: _____

FHA ADDENDUM TO SALES AGREEMENT

Date: _____

Order No.: _____

The offer to purchase the real property commonly known as _____

made by _____

Agreement Dated _____

Property Address: _____ Parcel ID: _____

The Contract is contingent upon Purchaser obtaining a mortgage insured by the Federal Housing Administration (FHA) and secured by the Property as follows:

Loan Details:

LOAN AMOUNT \$ _____

☐ Includes MIP ☐ Excludes MIP (no initial MIP required for condo)

TERM OF LOAN _____ Years

MAXIMUM OR INITIAL * ☐ Buy down – qualify at initial rate

INTEREST RATE _____ % (* if adjustable rate loan)

Check all applicable terms:

☐ Fixed Rate Loan

☐ Graduated Payment Loan

☐ Adjustable Rate Loan – qualify at initial rate

☐ OTHER: _____

Purchaser agrees to pay to Lender loan origination/loan discount fees of _____ % of the Loan Amount and Seller agrees to pay loan origination/loan discount fees of _____ % of the Loan Amount. Purchaser shall receive the benefit of any reduction in said fees. All loan insurance premiums as required by Lender shall be paid by Purchaser.

Under the “Settlement Costs” Paragraph of the Contract, a Purchaser obtaining FHA financing is prohibited from paying certain charges and the Seller hereby agrees to pay such charges not to exceed \$ **500.00**.

BY ACCEPTING A LOAN AGREEMENT WHEREBY THE INTEREST RATE AND LOAN DISCOUNT FEES ARE NOT BEING LOCKED IN, PURCHASER IS AGREEING TO ACCEPT THE CURRENT MARKET RATE AT THE TIME OF LOCK-IN AND THE RESPONSIBILITY FOR ANY ADDITIONAL POINTS CHARGED. THE PURCHASER SHALL REMAIN BOUND TO PERFORM UNDER THE CONTRACT, NOTWITHSTANDING ANY SUCH CHANGES IN THE RATE AND/OR FEES.

Monthly Payments: Payments to Lender shall include monthly principal and interest, plus one-twelfth of the annual real estate taxes, ground rent, special assessments or charges, if any, hazard (fire) insurance premium, flood insurance premium, where required, and FHA MIP payment.

Loan Processing: Purchaser and Seller understand that FHA regulations require Lender to reprocess Purchaser’s loan application if, from the time Purchaser’s loan application was approved to the time of settlement, there is an increase in the loan discount fees to be paid by Broker or an increase of more than one percent (1%) in the loan interest rate. To the extent such changes does not conflict with the conditions of the Contract, Purchaser agrees to sign a new loan application if reprocessing is required.

FHA Amendatory Clause: It is expressly agreed that notwithstanding any other provisions of the Contract, Purchaser 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 unless Purchaser has been given in accordance with HUD/FHA or VA requirements a written statement by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement Lender setting forth the appraised value of the Property of not less than \$ _____. Purchaser shall have the privilege and option of proceeding with consummation of the Contract without regard to the amount of the appraised valuation. **The appraised valuation is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value nor the condition of the Property. Purchaser should satisfy himself/herself that the price and condition of the Property are acceptable.**

NOTICE: The dollar amount to be inserted in the amendatory clause is the purchase price as stated in the Contract. If Purchaser and Seller agree to adjust the purchase price in response to an appraisal value that is less than the purchase price, a new amendatory clause is **not** required. However, the loan application package must include the original Contract with the same purchase price as shown in the amendatory clause, along with the revised or amended Contract.

Mortgage Insurance: Purchaser agrees to pay mortgage insurance premiums (MIP) as required by FHA regulations. If the Property is not a condominium, MIP must be paid at the time of settlement in cash or included in the loan amount; **AND IN ADDITION**, a mortgage insurance premium equal to a percentage of the loan amount must be paid monthly thereafter. If the Property is a condominium, only a mortgage insurance premium equal to a percentage of the loan amount must be paid monthly after settlement.

NOTE: If the initial premium at settlement is to be financed, the amount should be included in the loan amount.

Termite Inspection: The paragraph entitled "Termite Inspection" in the Contract is hereby amended to provide that the required inspection of the residence by a licensed pest control company must also include an inspection of all accessory structures on the Property, and, if infestation previously existed in the residence or in such accessory structures, it has been corrected and any damage due to such infestation has been corrected. Except as expressly provided to the contrary herein, the Paragraph entitled "Termite Inspection" shall remain in full force and effect, unmodified by this Addendum.

Required Repairs: In the event the FHA and/or Lender require any repairs or improvements ("Required Repairs") be made to the Property, Seller agrees to perform the Required Repairs and pay the cost thereof at or prior to settlement, provided the total cost of the Required Repairs does not exceed \$_____, ("Repair Amount"). **This cost shall be in addition to Seller's other obligations under the terms of the Contract.** Should the cost of Required Repairs exceed the Repair Amount:

- A. Seller may elect to pay the total cost of the "Required Repairs," in which event the Contract shall remain in full force and effect.
- B. Seller may terminate the Contract by written notice to Purchaser which must include a written estimate of the cost of the required repairs. Said written notice shall be provided to Purchaser within five (5) days of Seller's receipt of written estimate.
- C. The Contract shall remain in full force and effect if, within five (5) days of Purchaser's receipt of Seller's notice of termination, Purchaser elects, in writing, to pay the cost of the Required Repairs which exceeds the Repair Amount.
- D. If neither Purchaser nor Seller elects to pay the excess cost of any Required Repairs, the Contract shall become null and void and all monies on deposit shall be returned to Purchaser pursuant to the "Deposit" Paragraph of the Contract.

CERTIFICATION: Seller, Purchaser and Broker(s) hereby certify that the terms of the Contract to which this Addendum is attached is true to the best of their knowledge and belief. Any other agreement entered into between any of the parties with respect to the purchase and sale of the Property has been fully disclosed and is attached to the Contract.

The herein agreement upon its execution by both parties is herewith made an integral part of the above mentioned agreement of sale.

Seller: _____

Purchaser: _____

Seller: _____

Purchaser: _____

Seller: _____

Purchaser: _____

Seller: _____

Purchaser: _____

Listing Agent: _____

Selling Agent: _____