



AUCTION PURCHASE AND SALE AGREEMENT

THIS IS A LEGALLY BINDING CONTRACT. YOU ARE ADVISED TO CONSULT AN ATTORNEY BEFORE SIGNING.

- 1) CONTRACT OF SALE made as of the ___ day of ___, 20__ between ___ residing/doing business at ___, "Seller", who agrees to sell and ___ residing/doing business at ___, "Buyer", who agrees to buy the Property located at ___, in the Town/City/Village of ___, County of ___, State of Michigan, including all buildings and improvements thereon ("Property"). Legally Described As:
2) SALE PRICE \$ ___ (___ Dollars)
3) BUYER'S PREMIUM \$ ___ (___ Dollars)
4) TOTAL PURCHASE PRICE: \$ ___ (___ Dollars)

The Buyer shall pay the purchase price as follows:

- \$ ___ Earnest Money Deposit with this Contract.
\$ ___ Buyer's Premium paid at the time of Auction.
\$ ___ Balance Due at Closing in certified funds.

- 5) AUCTION SALE. The Parties acknowledge, understand, and agree that the Property is sold at auction "AS IS, WHERE IS, WITH ALL FAULTS AND LIMITATIONS" without warranty or guarantee of any kind, except as provided for in this Agreement as it relates to insurable and marketable title. This Agreement is not contingent upon any financing or inspection.
6) BUYER'S INSPECTION OF PROPERTY AND PROPERTY CONDITION. Prior to the auction and/or entering into this Agreement, the Buyer has inspected, or had the opportunity to inspect, the Property, including the structural premises, contents, and title, and is thoroughly acquainted with their condition, and further has conducted, or had the opportunity to conduct, Buyer's own due diligence and investigations. If Buyer has not so inspected or completed his/her due diligence, (s)he hereby certifies that (s)he has had the opportunity to do so and has willfully waived such right of inspection and due diligence. The Buyer agrees to purchase the Property "AS IS, WHERE IS, WITH ALL FAULTS AND LIMITATIONS" with said fixtures and personal property, as applicable, in the present condition subject to reasonable use, wear, tear, and natural deterioration between now and closing. The Buyer agrees that neither the Seller nor Seller's agents, servants, officers or employees or the Seller's broker, have made any representations, warranties or statements of fact concerning the Property. Buyer has received (or, to the extent not received, Buyer irrevocably waives) all disclosure documents required to be provided by or on behalf of Seller or Seller's representatives. Reports furnished by or on behalf of Seller shall be for informational purposes only and are not made part of this Contract unless required under applicable law.
7) INCLUSIONS AND EXCEPTIONS. Subject to any existing building and use restrictions, zoning ordinances, and easements, if any. The Property includes all buildings; GAS, OIL, AND MINERAL RIGHTS OWNED BY SELLER; all attached fixtures such as carpeting and linoleum; mirrors; complete lighting and fan fixtures; window treatment hardware/rods; window shades, curtains, and blinds; screens, storm windows and doors; stationary laundry tubs; heating and air conditioning equipment; water heater, water softener (unless rented), water pump and pressure tank; sump pump; satellite dish and controls; garage door opener and controls; attached work benches; all attached

shelving; stationary outdoor grills; all support equipment for in-ground pools; detached storage buildings; fireplace doors and screens; built-in appliances; mail box; all plantings; underground sprinkling system, water pumps and timers; fences; awnings; basketball hoop; outdoor play equipment; fuel (unless metered) and fuel tanks (unless rented).

i) EXCEPTIONS OR ADDITIONS:

8) **PRORATED ITEMS:** Rents, association fees, insurance (if assigned) as well as interest on any existing land contract, mortgage, water and sewer bills or other lien assumed or to be paid by the Buyer, will be prorated to the date of Closing.

i) ADDITIONAL ITEMS:

9) **ASSESSMENTS:** (Defined as one-time unique charge from Tax Authority with an end balance) All special assessments for the property which have become a lien on the property on or before the date of Closing, shall be paid by the SELLER, provided, however, that in the event a special assessment is payable in installments, current and future installments shall be:

paid by Buyer.

paid in full by Seller at closing;

i) EXCEPTIONS:

*Special Assessments are not items like street lights, Fire Department, or items that may be ongoing with no end balance .

10) **PROPERTY 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 first billed in the year of Closing will be prorated using the tax bill amounts less any assessments included in the tax bills so that Seller will pay taxes from the first of the year through the day prior to Closing date; and Buyer will pay taxes for the balance of the year, including the date of Closing. If any bill for Taxes is not issued as of the date of Closing, the then current taxable value and tax rate and any administrative fee will be substituted and prorated.

11) **WELL AND SEPTIC:**

This property requires mandatory Well and Septic Inspections. Buyer and Seller acknowledge that Seller is required to perform, and pay for a Point of Sale Mandatory Well and Septic inspections on the above-named property.

This property does not require mandatory Well and Septic Inspections.

This Offer is NOT contingent on a satisfactory Well and Septic Inspection

12) **LEAD PAINT DISCLOSURE/INSPECTION** (For residential housing built prior to 1978 only):

i) Buyer acknowledges that prior to signing this Agreement, BUYER has received the HUD/EPA pamphlet *Protect Your Family From Lead in Your Home* and has received a copy of the *Lead-based Paint SELLERs Disclosure Form* completed by the Seller on _____, the terms of which shall be part of this Agreement.

ii) Buyer also agrees (check one below):

Buyer shall have _____ days 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 within this period, this Agreement shall terminate and any deposit shall be refunded to BUYER.

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

13) **CLOSING COSTS:**

- a) **BUYER WILL PAY FOR** transfer fees on mortgage assumptions; recording of deed and/or security instruments; attorney's opinion and/or services for Buyer; mortgage closing costs required by lender including mortgage title insurance, appraisal, title company closing fees, all inspections; rezoning; soil borings; franchise agreements; use permits; drain and /or other easements; rights-of-way; and stake or mortgage report survey (if a survey is required for title insurance, or is requirement by Buyer's Lender, it will be at the Buyer's expense).
- b) **SELLER shall provide**, at Seller's expense, to the Buyer an Owner's Policy of Title Insurance with standard exceptions in the amount of the sale price; all costs required to convey clear title; title company closing fees if closing in cash, land contract, VA, or seller funded purchase money mortgage transaction; all transfer taxes on deed; preparation of deed, land contract, and security instruments; and other documents necessary to convey clear title.
- c) **EXCEPTIONS/ADDITIONS:** _____

14) **PROPERTY INSURANCE:** Seller shall be responsible for fire and extended coverage insurance on the property until sale is closed.

15) **CLOSING:** Sale will be closed on **OR** before _____, _____ unless amended by written addendum to this Agreement. If title defects exist, Seller will have 30 days after receiving written notice to remedy the defects. After the 30 days, Seller will refund the deposit in full termination of this Agreement if title defects have not been remedied.

16) **POSSESSION:** Seller will give possession as follows:

- Immediately at closing
- Seller to occupy the property; it will be vacated no later than _____ days after Closing. At Closing, Seller will pay Buyer the total sum of \$ _____ based upon \$ _____ per day, as occupancy charge for the period from the Closing date through the agreed surrender date. Charges for unused days will be reimbursed to Seller upon vacating. Seller is responsible for utilities and any repairs of damage caused to the property by Seller after Closing and before vacating.
- If tenants occupy the property, then:
 - Seller will cause the tenants to vacate the property before closing.
 - Buyer will take the property subject to the rights of the tenants.

-FURTHERMORE-

SELLER is responsible for removal of all rubbish, personal items, trash/debris, and property shall be broom swept/cleaned.

-OR-

BUYER accepts the property in as is condition with any items on the property during the open house inspection period.

17) **SELLER'S DISCLOSURE:** Buyer acknowledges that a Seller's Disclosure Statement has been provided to Buyer.

18) **RELEASE:** Buyer and Seller acknowledge that neither Listing Broker nor Selling Broker, nor their respective agents, have made any representations concerning the condition of the property covered by this Agreement or the

marketability of title, and Buyer and Seller release the Listing Broker and Selling Broker and their respective agents, with respect to all claims arising out of or related to this Agreement, any addendums or counteroffers; all claims arising from any purported representations as to the physical and environmental condition of the property covered by this Agreement or the marketability of title; and all claims arising from any special assessments and/or utility bills which have been or may in the future be charged against the property covered by this Agreement and, in addition, agree to indemnify and hold harmless the Listing Broker and Selling Broker and their respective agents from any and all claims related to those matters.

- 19) **PROPERTY CONDITION:** Buyer has been provided the opportunity to personally inspect the property and has reviewed the information contained in any written disclosure statement provided by Seller and Buyer agrees to accept the property “AS IS” in its present condition. BUYER IS NOT RELYING ON ANY REPRESENTATION OR STATEMENT MADE BY SELLER OR ANY REAL ESTATE SALESPERSON/BROKER REGARDING ANY ASPECT OF THE PROPERTY OR THIS SALE OTHER THAN EXPRESS REPRESENTATIONS IN THIS AGREEMENT, ANY ADDENDUM(S) OR STATEMENTS CONTAINED IN ANY WRITTEN DISCLOSURE STATEMENT. BUYER ACKNOWLEDGES THAT ALL INFORMATION PROVIDED BY THE GREATER LANSING ASSOCIATION OF REALTORS® MLS IS DEEMED ACCURATE BUT IS NOT GUARANTEED OR WARRANTED.
- 20) **FINAL WALK-THROUGH:** Buyer reserves right to walk through property within 48 hours prior to closing to confirm all terms of this Agreement have been met.
- 21) **PROFESSIONAL ADVICE:** Broker advises Buyer to seek legal, tax, environmental, and other appropriate professional advice relating to this transaction. Broker does not make any representations or warranties with respect to the advisability of, or the legal effect of this transaction. Buyer acknowledges that it has been recommended that an attorney be retained to review the marketability of title and all Closing documents including the Greater Lansing Association of REALTORS® Closing Agreement form and to determine that the terms of this Agreement have been met.
- 22) **SQUARE FOOTAGE:** Parties agree any square footage stated in the Multiple Listing Service are estimates only and should not be relied upon, but should be verified by the parties.
- 23) **EARNEST MONEY DEPOSIT: BUYER'S DEPOSIT:** \$ _____ showing Buyer's good faith will be deposited in escrow or trust account of _____ (Broker) under current regulations of the State of Michigan. This deposit will be applied as part of the purchase price. The Earnest Money Deposit referred to on page one of this Contract shall be held in Seller's Broker's escrow account until Closing of title. Said account is maintained at Michigan State University Federal Credit Union. If the sale is not consummated, any release of the BUYER'S deposit will require an agreement signed by all parties to release the deposit. If no mutual agreement can be negotiated, the person holding the deposit may, upon 30 days written notice to all parties, transfer the deposit by interpleader to a court of proper jurisdiction after deducting out-of-pocket costs and legal fees. Delivery to court will release the Brokers and the person holding the deposit from further liability concerning the deposit. If litigation is commenced by any party regarding any money held in escrow, Broker shall not disburse any escrow which is subject to dispute until provided for in a court order, judgement, or stipulation between the parties.
- 24) **WILLFUL DEFAULT.** If Seller shall have performed or tendered performance of his or her obligations under this Contract and Buyer shall have willfully defaulted hereunder, then, Seller, at his or her option, may: (a) Retain the down payment (which includes both Buyer premium and earnest money) as liquidated and agreed upon damages, or (b) Pursue other legal remedies. This option of liquidated and agreed upon damages is not a penalty, the Buyer understands that the Seller has bound (her)himself to the sale of the Property to the Buyer and has removed the Property from sale at a time when other parties would have been interested in acquiring the Property. Seller, therefore, will have sustained substantial damages which are not capable of determination with precision if the Buyer willfully defaults.

- 25) **LIMITATION:** Buyer and Seller agree that any and all claims or lawsuits which they may have against the Listing Broker and its Agents and/or Selling Broker and its Agents relating to their services must be filed no more than six (6) months after the date of closing of the transaction described in this Agreement. Buyer and Seller waive any statute of limitations to the contrary.
- 26) **MEDIATION:** Buyer and Seller agree that any dispute related to this Agreement shall be submitted to Mediation. This Mediation shall be according to the NATIONAL ASSOCIATION OF REALTORS® rules and procedures of the HomeSeller's/HomeBuyer's Dispute solution System. If the parties cannot reach a binding agreement in Mediation, they have the right to use other legal remedies. Buyer acknowledges receipt of the brochure briefly describing the Mediation System.
- 27) **TIME IS OF THE ESSENCE.** Time is of the essence in this transaction. Failure to enforce a time deadline in one or more instances shall not constitute a waiver of that time deadline or other deadlines in the future.
- 28) **ASSIGNMENT:** Buyer will not assign this Agreement without the consent of Seller.
- 29) **AGENCY DISCLOSURE:** THE UNDERSIGNED BUYER AND SELLER EACH ACKNOWLEDGE THAT THEY HAVE READ AND SIGNED *THE DISCLOSURE REGARDING REAL ESTATE AGENCY RELATIONSHIPS*.
MAZZOLA AND COMPANY REAL ESTATE IS ACTING AS AN AGENT OF THE SELLER
- 30) **ELECTRONIC COMMUNICATION:** As an alternative to physical delivery, the parties agree that this Contract, any amendment or modification to this Contract and/or any written notice or communication regarding this Contract may be delivered to the Seller in care of Mazzola and Company Real Estate, and to the Buyer (in care of their agent if they have one), using electronic mail or facsimile using the contact information set forth above. Any communication shall be deemed delivered at the time it is sent or transmitted. Seller and Buyer represent and warrant that an electronic email address has been provided to Mazzola and Company Real Estate from which they may receive electronic mail. The parties agree that the electronic signatures and initials shall be deemed to be valid and binding upon the parties as if the original signatures or initials were present in the documents in the handwriting of each party.
- 31) **REAL ESTATE BROKER, BUYER'S PREMIUM AND COOPERATING BROKER COMPENSATION.**
REAL ESTATE BROKER. The Buyer and Seller agree that Mazzola and Company Real Estate and _____ brought about the sale and Seller agrees to pay the brokerage commission as set forth in the listing agreement and Buyer agrees to pay brokers' commission as set forth in the Buyer's broker agreement, if applicable. (B) *BUYER'S PREMIUM.* The Buyer and Seller agree that the Buyer's Premium paid by Buyer at time of auction is not a part of the Earnest Money Deposit or a credit towards commission. (C) *COOPERATING BROKER COMPENSATION.* The Cooperating Broker shall be paid ____ % of the sale price or \$_____ within ten (10) business days of closing. The amount paid shall be credited to the Buyer as part of the sale price and to the Seller as part of the commission due the listing broker. The Cooperating Broker agrees to apply this amount against its commission under any agency agreement with Buyer. Nothing herein shall be deemed to have altered the agency relationships disclosed.
- 32) **LOCAL REQUIREMENTS, BUILDING AND ZONING CODES.** Some counties, cities, municipalities and other state subdivisions may require a certificate of occupancy, certificate of use or code compliance certificate and/or inspection required in order to transfer and/or occupy the Property. If such or the like is required for the Property to be transferred to or occupied by Buyer, Buyer waives such local requirements to the extent waivable. To the extent any such local requirement is not waivable by Buyer, Buyer shall comply with the Local Requirement at Buyer's sole cost, including, without limitation, the correction of any violations or performance of other work which may be required in connection therewith. Seller makes no representation as to whether a Local Requirement applies. Buyer shall indemnify, defend and hold Seller harmless from and against all fines, penalties, costs, expenses, claims and liabilities arising out of or relating to any local requirements. This indemnification shall survive Closing and shall not

