



**REAL ESTATE AUCTION SALES CONTRACT
(hereinafter, "Contract")**

1. The Parties:

Seller(s) (Name, Address, Telephone Numbers):

Tel: _____

Email address: _____

(hereinafter referred to as "Seller")

Record Owner(s) (Name, Address, Telephone Numbers – if different from seller):

Tel: _____

Email address: _____

(hereinafter referred to as "Owner")

The relationship of "Seller" and "Owner" is: SAME

Purchaser(s) (Name, Address, Telephone Numbers):

Tel: _____

Email address: _____

(hereinafter referred to as "Purchaser")

Purchaser Initial _____ *Purchaser Initial* _____ *Seller Initial* _____ *Seller Initial* _____

Address _____

Keller Williams Northville Market Center & Agent Contact Information (Name, Address, Telephone Numbers):

David Brooks III

39500 Orchard Hill Place, Suite 100

Novi MI 48375

Email address: davidbrooks@kwcommercial.com

2. **The Property:** At the price and on the terms set forth herein, Seller agrees to sell to Purchaser, and Purchaser agrees to purchase from Seller, the Property. The Real Property included in the Property is that certain real estate commonly known as:

Parcel I.D. Number:

Settlement shall occur on or before _____

3. **Agreed Upon Money Amounts**

- a) Bid Price \$ _____
- b) Buyer's Premium 10% \$ _____
- c) Purchase Price (Bid Price + Buyer's Premium) \$ _____
 - i) Initial Earnest Money Deposit \$ _____
 - ii) Additional Earnest Money Paid by uncollected funds check \$ _____
- d) Total Earnest Money Required (10% of Purchase Price) \$ _____
- e) Balance of Purchase Price Due at Closing \$ _____

4. **Defined Terms (in alphabetical order)** The following terms found throughout this Contract are defined as follows:

Association Documents – Documents provided by the Home Owners\Condominium Association which establish guidelines for the property.

Articles of Incorporation – Legal recognition by the state identifying formal structure of a company.

Auctioneer – a person who conducts an auction by announcing the lots and controlling the bidding and identified above.

Additional Earnest Money – A deposit made by the potential buyer to show that he or she is serious about buying the property.

Balance of Purchase Price – The amount remaining to complete the purchase of the Property.

Bid Price – The highest and accepted bid made by the Purchaser at the live cry auction held by Auctioneer on behalf of Seller on _____ for the sale and purchase of Property.

Buyer's Premium – An amount equal to 10% of the Bid Price, which amount is added to the Bid Price to determine the Purchase Price.

By-Laws – A rule made by a local authority for the regulation of its affairs or management of the area it governs.

Closing – A meeting where all of the documents are signed and money changes hands to complete the sale of the Property to the Purchaser in accordance with this Contract.

Closing Costs – Any and all costs of closing the transaction that are not otherwise designated in this Contract Including but not limited to costs and fees charged by the Escrow Agent and Title Company such as escrow fees, title company charges, wiring fees, and recording fees.

Purchaser Initial _____ Purchaser Initial _____ Seller Initial _____ Seller Initial _____

Address _____

Closing Date – The date upon which the Closing shall take place, which shall be _____ or such other date as agreed to by Seller, provided that Purchaser's failure to close by _____ shall constitute default hereunder.

Commitment for Title Insurance – This insures the property buyer against any title-search errors or mistakes and against loss due to disputes over property ownership. Title Insurance can additionally offer protection to the lender under similar circumstances.

Contract – This real estate auction sales contract.

Development – The process of adding improvements to a parcel of land, such as grading, subdivisions, drainage, access, roads, utilities.

Escrow Agent – is Franklin Title Agency, 414 East St, Rochester MI 48307 248-564-4022.

Participating Broker - A brokerage company or its sales agent who obtains a buyer for a property that is listed with another brokerage company

Party – Purchaser or Seller or an Auctioneer or the Broker, each individually.

Parties – Purchaser and Seller and the Auctioneers and the Broker, collectively.

Personal Property – The personal property located within the Real Property as of the Closing, a list of such personal property material to the sale governed by this Contract is attached hereto.

Real Property – Real land owned or possessed identified in Section 2 above

Property – The Personal Property and Real Property purchased by Purchaser pursuant to this Contract.

Purchase Price - The amount of money needed to purchase the Property.

Purchaser – The party to this Contract set forth as the purchaser in number 1 above.

Residence - Any address at which you dwell more than temporarily.

Seller - The party to this Contract set forth as the seller in number 1 above.

Substantial Completion – in the case of construction, and unless otherwise defined in the contract of construction, substantial completion means all inspections required by the local municipality under its building codes have been successfully conducted and a use-and-occupancy permit, or it's equivalent, issued by the municipality

Title Company – Title insurance protects the buyer from any mortgage or other liens against the property.

Purchaser is advised to seek title insurance to protect their investment in the property. Title company refers to the company or issuing agent selected by the buyer.

5. **Agreement to Sell and Purchase.** Purchaser agrees to purchase, and Seller agrees to sell, the Property at the Purchase Price set forth here in and upon the other terms and conditions contained in this Contract. Purchaser shall pay the Balance of Purchase Price due at Closing to the Escrow Agent (plus or minus prorations and Closing Costs and applicable sales tax) of the purchase and sale transaction contemplated herein (the "**Closing**") by cashier's check to the Escrow Agent. The Escrow Agent shall distribute the Purchase Price among Seller, the Auctioneers and the Broker in accordance with the auction agreement in place among Seller, Auctioneers and Selling Broker..
6. **All Cash Transaction.** This is an all-cash sale and purchase; and is NOT contingent upon obtaining financing even though Purchaser may apply to a lending institution of Purchaser's choice for a mortgage loan and use such loan proceeds to pay a portion of the Purchase Price. Purchaser understands and agrees that neither their receipt of a commitment from such a lending institution, their acceptance of such a commitment, nor their satisfaction of any condition set forth in such a commitment shall in any way be conditions of Purchaser's obligations under this Contract. Seller makes no representation or warranty as to the availability of Purchaser financing.
7. **Earnest Money.** Purchaser has deposited the Initial Earnest Money set forth in Paragraph 3d) and the receipt of which is hereby acknowledged by Escrow Agent, as escrow. The Additional Earnest Money required shall be paid by personal check or business check, payable to the order to Escrow Account, and received by Escrow Agent within five (3) business days of execution by both Purchaser and Seller. All earnest money shall be held by Escrow Agent in a non-interest bearing escrow account for the benefit of the parties. Purchaser acknowledges that TIME IS OF THE ESSENCE as regards this Contract and particularly with respect to the payment of any Additional Earnest Money and the Closing.
8. **Closing.** The Closing shall be on _____ unless otherwise mutually agreed upon, provided title has been shown to be consistent with the provisions of Paragraph 16 of this Contract or is otherwise accepted by Purchaser, at the office of the Title Company located at Franklin Title Agency, 414 East St, Rochester MI 48307. Notwithstanding anything else in this Agreement which may be to the contrary, Seller shall be responsible for all brokerage/auctioneer/realtor fees

Purchaser Initial _____ Purchaser Initial _____ Seller Initial _____ Seller Initial _____

Address _____

(which does not include buyer's premium which is part of the purchase price and is solely the Purchaser's responsibility), as well as title insurance costs, real estate tax prorations, and State and County transfer taxes. Purchaser shall be responsible for recording costs and any escrow fees charged by the Title Company.

9. **Delivery of Deed; Transfer of Title.** At Closing, Seller shall execute and deliver to Purchaser, or cause to be executed and delivered to Purchaser, a recordable covenant deed (or other appropriate deed if title is in trust or in an estate) with release of homestead rights subject only to the following, if any: building lines, covenants, conditions and restrictions of record; the Association Documents (as hereinafter defined) if the Residence is a condominium unit, the Condominium Documents (as hereinafter defined); private, public and utility easements; roads and highways; special governmental taxes or assessments for improvements not yet completed; unconfirmed special governmental taxes or assessments; any matters that would be shown by a survey of the Real Property and general real estate taxes not yet due or payable, other matters of record not affecting marketability of title, and leases and tenancies, if any as set forth in the title commitment and survey attached hereto and hereof made a part as Exhibits ___ and ____.
10. **Condominium/Community Associations.** If applicable, the parties agree that the terms contained in this Paragraph 10, which may be contrary to other terms of this Contract, shall supersede any conflicting terms.
 - a) Purchaser acknowledges that the Residence will be subject to the benefits and obligation of a homeowners association (the "**Association**"). Purchaser acknowledges receipt of the following documents and information relating to the Association prior to or upon execution of this Contract: (a) the Association's Declaration; (b) Articles of Incorporation and By-Laws of the Association; and (c) the proposed or current budget of the Association (collectively the "**Association Documents**"). This sale and Purchaser's title to the Residence is subject to the terms and conditions of the Association Documents. Purchaser agrees that, from and after the date of Closing, Purchaser will comply with the provisions of and will perform all the obligations imposed on Property owners by the Association Documents.
 - b) At Closing, Purchaser shall pay (i) an amount equal to _____ times the first full monthly assessment due with respect to the Residence to the Association, said amount possibly including funds for start-up costs and working capital fund of the Association and (ii) Purchaser's pro rata share of the assessments attributable to the Residence and due to the Association for the assessment period during which the Closing occurs.
 - c) If the Residence is a condominium, Purchaser acknowledges that the Residence will be subject to the benefits and obligations of a condominium association (the "Condominium Association") and Purchaser hereby acknowledges receipt of the following documents and information relating to the Condominium Association: (a) the Condominium Association Declaration; (b) the Articles of Incorporation and By-Laws of the Condominium Association; (c) the proposed or current budget of the Condominium Association; and (d) floor plan of the Residence; all of the foregoing documents are collectively referred to herein as the "Condominium Documents"). This sale and Purchaser's title to the Property is subject to the terms and conditions of the Condominium Documents. Purchaser agrees that, from and after the date of Closing, Purchaser will comply with the provisions of and will perform all the obligations imposed on owners of Property within the Development by the Condominium Documents.
11. **Possession.** Seller shall surrender possession of the Property on the Closing Date, provided this sale has been closed.
12. **Prorations.** At closing, Purchaser shall receive a credit for real estate taxes for the unpaid real estate taxes not yet due based on the most recent ascertainable general real estate tax bill. Property real estate taxes shall be prorated THROUGH the date of closing based on calendar year. All prorations are final. All prorations shall be made through 11:59pm on the day of closing. Purchaser shall pay any sales tax due as a result of the sale of the Personal Property.
13. **Commission.** Seller shall pay, or cause to be paid, the commissions at Closing, as provided in the auction agreement in place between Seller and Auctioneer. The provisions of this Paragraph 13 shall survive the closing.
14. **Brokers/Agency/Owner-Licensee Disclosure.** Purchaser represents and warrants to Seller that no auctioneer or broker, other than Auctioneer and _____ ("**Participating Broker**") was involved in showing, submitting or selling the Property to Purchaser. Purchaser agrees to indemnify and hold Seller, Auctioneer and Participating Broker harmless and defend them from any claim relating to Purchaser's purchase of the Property asserted against the Seller, Participating Broker or Auctioneer by any broker other than as set forth in this Paragraph 14. The provisions of this Paragraph 14 shall survive the closing. Purchaser acknowledges that Auctioneer and its licensed agents represent the Seller as Seller's agent in the sale of this Property and specifically do not represent the Purchaser. Auctioneer is dealing with Purchaser as a customer and not as a client which confirms that Auctioneer has no fiduciary to the Purchaser.
15. **Title/Survey.** Owner title policy is being provided and paid for by the seller. No property survey is being provided.

Purchaser Initial _____ Purchaser Initial _____ Seller Initial _____ Seller Initial _____

Address _____

16. **Default.**

- a) **Purchaser's Default.** At Seller's option, Purchaser shall be in default under the terms of this Contract if, in addition to any other default specified herein, Purchaser shall:
 - i) fail to close pursuant to the terms hereof;
 - ii) fail to timely make any payment required of Purchaser hereunder;
 - iii) fail to appear at the time on or before _____ designated by Seller as provided herein, to close the transaction; or
 - iv) fail to enter into the escrow agreement described herein or to make the deposit at the times required thereunder.
 - v) If Seller declares Purchaser in default pursuant to the terms herein, or if Purchaser fails or refuses to carry out any other obligation of Purchaser under the terms of this Contract and any supplemental agreements made a part hereof, or Purchaser defaults under any provision hereof, then, at Seller's option, this contract is terminated, and, upon notice to Purchaser, the earnest money shall be forfeited and shared between Auctioneers and Seller in accordance with the agreement between them. Seller may also elect to assert against Purchaser any other remedy available, at law or in equity.

17. **Interpleader.** If either party objects to the intended disposition in writing within the aforementioned 10-day grace period or at Auctioneer's sole discretion and option, then the parties hereto agree that Auctioneer may deposit earnest money, less costs, with the Court of _____ Oakland _____ County by the filing of an action in the nature of interpleader. The parties agree that Auctioneer may be reimbursed from the earnest money for all costs, including reasonable attorney's fees, relating to the filing of the interpleader and they do hereby agree to indemnify, defend and hold Auctioneer harmless from any and all claims and demands, including the payment of reasonable attorney's fees, costs and expenses arising out of such default claims and demands.

18. **Inspection.** Purchaser represents that either Purchaser or a duly authorized agent of Purchaser has inspected the Property and verified the facts and information contained in any materials provided to, or discovered by, Purchaser prior to bidding for the Property and executing this Contract. Except as otherwise expressly stated in this Contract, Purchaser warrants that Purchaser is purchasing the property and the contents thereof on an "as-is, where-is" basis, with no warranties of any kind, express or implied, either oral or written, whether of habitability, merchantability, fitness for a particular purpose, non-infringement, condition of improvements, environmental condition or otherwise made by seller or any agent of seller, including, but not limited to, information contained in any of Auctioneer's sales materials, including but not limited to, the sales brochure or supplemental brochures and/or representations and warranties regarding zoning matters, the ability of the Purchaser to construct new improvements, the ability of Purchaser to remodel existing improvements, the availability of zoning variances, building and demolition permits or plats of consolidation and/or subdivision. No liability for inaccuracies, errors or omissions contained in any aforesaid sales materials provided to Purchaser is assumed by Seller, Auctioneer, or any of their agents. Michigan law provides that every contract for the construction of a new home carries with it a warranty that when completed, the home will be free of latent defects and will be reasonably suited for its intended use as a home. The law further provides that this implied warranty of habitability does not have to be in writing to be part of the contract and it covers not only structural and mechanical defects such as may be found in the foundation, roof, masonry, heating, electrical and plumbing, but also any defects in workmanship which may not be easily seen or discovered upon an inspection or viewing of the property by purchaser. Michigan law, however, also provides that a seller-builder and a purchaser may agree in writing, as here, that this implied warranty of habitability is not included as a part of their particular contract. Purchaser hereby agrees that in consideration of the transaction herein contemplated Purchaser waives the implied warranty of habitability described herein.

IN NO EVENT SHALL SELLER OR AUCTIONEERS BE LIABLE TO PURCHASER OR ANY THIRD PARTY FOR ANY CONSEQUENTIAL, EXEMPLARY, INDIRECT, SPECIAL, PUNITIVE, INCIDENTAL OR SIMILAR DAMAGES, WHETHER FORESEEABLE OR UNFORESEEABLE, REGARDLESS OF THE CAUSE OF ACTION ON WHICH THEY ARE BASED, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES OCCURRING. WITH RESPECT TO THE SALE OF THE PERSONAL PROPERTY, IN NO EVENT SHALL KELLER WILLIAMS OR DETROIT REAL ESTATE ADVISORS & AUCTIONS, LLC BE LIABLE TO PURCHASER OR ANY THIRD PARTY FOR LOSSES IN EXCESS OF THE PORTION OF THE PURCHASE PRICE RECEIVED BY KELLER WILLIAMS OR DETROIT REAL ESTATE ADVISORS, LLC FOR THE PERSONAL PROPERTY IN ACCORDANCE WITH THIS AGREEMENT.

Purchaser's Initials _____

19. **Purchaser's Duty to Review.** Purchaser acknowledges that Purchaser has not relied upon any sales plans, selling brochures, advertisements, representations, warranties, statements or estimates of any nature whatsoever, whether written or oral, made by Seller, Auctioneer or others, including, but not limited to, any relating to the description of physical condition of the Property, or the dimensions of the Property or any other physical dimensions thereof, the estimated sales

Purchaser Initial _____	Purchaser Initial _____	Seller Initial _____	Seller Initial _____
-------------------------	-------------------------	----------------------	----------------------

Address _____

or real estate taxes of the Property, the right to any income tax deduction for any real estate taxes or mortgage interest paid by Purchaser, or any other data, except as may be specifically represented herein. Purchaser has relied on their own examination and investigation thereof. No person has been authorized to make any representation on behalf of Seller. Purchaser agrees (a) to purchase the Property without offset or any claim against, or liability to, Seller or its agents, whether or not any layout or dimension of the Property or any part thereof, is accurate or correct, and (b) that Purchaser shall not be relieved of any of Purchaser's obligations hereunder by reason of any minor inaccuracy or error. The provisions of this Paragraph 20 shall survive the Closing.

20. **Material Destruction/Risk of Loss.** If, prior to Closing, the Real Property shall be destroyed or materially damaged by fire or other casualty, this Contract shall, at the option of Purchaser exercised by notice to Seller within thirty (30) days after such destruction or damage, be null and void and all sums deposited by Purchaser hereunder including Earnest Money and prepaid charges for any changes shall be refunded to Purchaser.
21. **Notices.** All notices herein required shall be in writing and shall be served on the parties at their addresses set forth in Paragraph 1 above. The mailing of a notice by registered or certified mail, return receipt requested, shall be sufficient service when the notice is mailed. Notices may also be served by personal delivery or by the use of a facsimile machine with proof of transmission and a copy of the notice with proof of transmission being sent by regular mail on the date of transmission, and shall be effective upon personal delivery or upon confirmed fax transmission or verified email attachment, as the case may be.
22. **Recording.** Purchaser shall not record this Contract or any memorandum of this Contract and any such recording shall constitute a default by Purchaser hereunder.
23. **Property Condition.** The parties hereto acknowledge that Auctioneer is not obligated to and has not made any independent investigation of the condition of the Property including, but not limited to, the physical condition of the structure (exterior or interior), the fixtures, personal property and equipment therein, if any, or any environmental matters with respect thereto (collectively the "**Physical Condition**") nor is the Auctioneer competent or expert in such matters. The parties hereto further acknowledge that all investigations, reports and information with respect to the Physical Condition, if any, have been prepared by or for the Seller and have been furnished by Seller to the Auctioneer and in turn by the Auctioneer to Purchaser on behalf of Seller, who shall be solely responsible for all such information.
24. **Disclosures.** If applicable, prior to signing this Contract, Purchaser received and had an opportunity to review the following (check all that apply):
- a completed Residential Real Property Disclosure Report.
 - a copy of the EPA Pamphlet entitled, "Protect Your Family From Lead in Your Home".
 - a completed Lead Based Paint Disclosure.
 - a completed Disclosure of Information on Radon Hazards.
 - a copy of the pamphlet entitled "Radon Testing Guidelines for Real Estate Transactions".

Furthermore, Purchaser represents that Purchaser was advised of their right, and had the opportunity, to conduct a risk assessment or inspection for the presence of radon and/or radon hazards, and hereby waives the opportunity to conduct a risk assessment or inspection for the presence of radon and/or radon hazards.

The parties hereto shall sign all of the applicable disclosures WHICH ARE attached to the Contract AND MADE A PART HEREOF.

25. **Other Documents.** Seller agrees to furnish an affidavit of title subject only to those items set forth herein, and an ALTA statement if required by Purchaser's mortgagee, if any, a bill of sale and transfer tax declarations required. Seller and Purchaser agree to execute all other documents reasonably required by Title Company to close this sale and transfer title of the Property to Purchaser.
26. **Existing Mortgage.** Seller shall have the right to pay off any existing mortgage(s) out of the proceeds of this sale.
27. **RESPA.** Purchaser and Seller hereby agree to make all disclosures and do all things necessary to comply with the applicable provisions of the Real Estate Settlement Procedures Act of 1974, as amended.
28. **Transfer Taxes.** Seller shall each pay the amount of the transfer taxes imposed by the state, county and local municipality on the transfer of title to the Real Property.

<i>Purchaser Initial</i> _____	<i>Purchaser Initial</i> _____	<i>Seller Initial</i> _____	<i>Seller Initial</i> _____
--------------------------------	--------------------------------	-----------------------------	-----------------------------

Address _____

29. **Personal Property on Premises.** By date of possession Seller shall/shall not (strike one) remove all debris and Seller's personal property not conveyed by Bill of Sale to Purchaser from the premises.
30. **Use of Pronouns.** Wherever appropriate, the singular includes the plural and the masculine includes the feminine or the neuter. The term "Purchaser" shall be interpreted as "Purchasers" if more than one person is purchasing the Property, and their obligations shall be joint and several.
31. **Successors, No Assignment.** The provisions of this Contract shall bind and inure to the benefit of Purchaser and Purchaser's heirs, legal representatives, successors and permitted assigns and shall bind and inure to the benefit of the Seller and its heirs, legal representatives, successors and assigns. This Contract may not be assigned, in whole or in part, by either party without the prior written consent from the other party.
32. **Headings.** The paragraph headings used herein are for the reader's convenience only and they shall not be used to interpret the meaning of the terms set forth herein.
33. **Exhibits.** Exhibits attached hereto are incorporated as a part of this Contract.
34. **Governing Law.** The parties agree that any litigation or dispute concerning the enforcement of this Contract shall be brought in the State of Michigan, the jurisdiction shall be the County of Oakland, and that Michigan law shall govern its interpretation.
35. **Severability.** If any provision of this Contract is invalid or unenforceable as against any party under certain circumstances, the remainder of this Contract and the applicability of such provision to other persons or circumstances shall not be affected thereby. Each provision of this Contract, except as otherwise herein provided shall be valid and enforced to the fullest extent permitted by law.
36. **Complete Agreement.** This Contract sets forth the entire understanding between the parties relating to the transactions described herein, there being no terms, conditions, warranties or representations other than those contained herein. This Contract may be amended only in an instrument signed by both parties hereto. The parties intend that faxed signatures and that a faxed Contract containing the signatures (original or faxed) of all parties is binding on the parties and the foregoing shall also apply to PDF computer files sent as email attachments. At the request of either party, any faxed or PDF scanned document sent by email attachment subject to this paragraph 41 shall be re-executed by both parties in an original form. Neither party shall raise the use of a facsimile machine or scanned PDF file email attachment as a defense to this Contract and shall forever waive such defense.
37. **Invalidity.** The invalidity of any covenant, grant, condition or provision of this Contract shall not impair or affect in any manner the validity, enforceability or effect of the remainder of the Contract..
38. **Counterpart Execution.** This Contract may be executed in counterparts, each of which will be deemed an original document, but all of which will constitute a single document. This Contract will not be binding on or constitute evidence of a contract between the Seller and Purchaser until such time as a counterpart of this Contract has been executed by each party to it and a copy of thereof delivered to the other party to this Contract.

Purchaser Initial _____	Purchaser Initial _____	Seller Initial _____	Seller Initial _____
-------------------------	-------------------------	----------------------	----------------------

Address _____

IN WITNESS WHEREOF, the parties have executed this Contract on the dates set forth below their signatures.

SELLER:

Seller Signature

Seller Signature

Print Seller(s) Name(s)

PURCHASER:

Purchaser Signature

Purchaser Signature

Print Purchaser(s) Name(s)

Date of Acceptance

AUCTIONEER:

David Brooks III
Detroit Real Estate Advisors & Auctions
LLC
KW Commercial-Keller Williams Northville
Market Center
39500 Orchard Hill Place, Suite 100
Novi, MI 48375
C: 248.499.0620
F: 313.731.0558

- Residential Real Property Disclosure Report
- Disclosure of Lead-Based Paint and/or Lead Based
Paint Hazards
- Mold Disclosure
- Disclosure of Information on Radon Hazard

ATTACHMENTS (check all that apply):

Purchaser Initial _____ Purchaser Initial _____ Seller Initial _____ Seller Initial _____

Address _____