

**PURCHASE AGREEMENT - CONDOMINIUM UNIT**  
**BLUE HERON RESORT, a site condominium**

1. **Parties.** The person signing below designated herein as "Purchaser(s)" agree to purchase condominium unit number \_\_\_\_\_ designated in Blue Heron Resort, a residential site condominium, from BLUE HERON RESORT LLC, a Michigan limited liability company (herein the "Developer") according to the following terms in conditions.

2. **Purchase Price.** The purchase price for the condominium \_\_\_\_\_ unit \_\_\_\_\_ shall be Dollars (\$\_\_\_\_\_). Tendered herewith is Purchaser's earnest money deposit of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), which shall be applied in accordance with the terms of this agreement. Payment of the purchase price shall be accomplished by one of the following means indicated by "X" below (other unmarked terms of purchase do not apply).

**Cash.** The Purchaser shall pay the full purchase price to the Developer upon execution and delivery of a warranty deed.

**New mortgage.** The Purchaser shall pay the full purchase price to the Developer upon execution and delivery of a warranty deed, contingent upon the Purchaser's ability to obtain a construction mortgage loan in the amount of \$\_\_\_\_\_. The Purchaser shall apply for the mortgage loan within 7 days of execution and accept it promptly if tendered. If Purchaser does not deliver to Developer by 14 days after execution, proof that Purchaser has accepted a written mortgage loan commitment, Developer may thereafter at any time treat this contingency as not having been satisfied and terminate this Agreement by written notice to Purchaser.

**Contract.** The Purchaser shall pay the full purchase price to the Developer pursuant to the terms and conditions stated in a standard form Land Contract. The Land Contract or Purchase Money Mortgage shall provide for a down payment of \$\_\_\_\_\_ and payment of the balance of \$\_\_\_\_\_ in \_\_\_\_\_ installments of \$\_\_\_\_\_ or more, at Purchaser's option, including interest at the rate of \_\_\_\_\_ % per annum

computed monthly, with a balloon after \_\_\_\_\_ years. Interest shall commence on the agreed upon date of closing.

**3. Proof of Title.** Prior to closing, Developer will deliver to Purchaser a commitment for an owner's policy of title insurance in the amount of the purchase price, and at the closing on the sale will convey to purchaser marketable title to the condominium unit subject to easements and restrictions of record and the provisions of the Master Deed and other condominium documents; and will satisfy the requirements in the commitment and order, at Developer's expense, a policy of title insurance insuring that Purchaser's title is in the condition required by this agreement. If the land contract option above is selected such land contract vendee's title insurance shall except any liens or encumbrances arising after the date of the land contract.

**3. Closing.** Purchaser agrees to close on the purchase of the unit in accordance with the terms of this agreement, subject to any withdrawal or cancellation rights stated herein. The closing shall take place at Kalkaska-Antrim Title Company within \_\_\_\_\_ days after Developer delivers a title insurance commitment to Purchaser. Current property taxes and prepaid insurance premiums will be pro rated to the closing on a due date basis. Any association assessment against the unit due prior to the time of closing will be paid by Developer, and Purchaser will reimburse Developer for a portion of the current monthly assessment on a pro rata daily basis. Purchaser also agrees to pay at closing any other proper charges of the association. If at or after closing there are any property tax statements issued affecting the condominium as a whole, purchaser will pay a pro rata share of the tax in accordance with percentage of value allocated to Purchaser's unit in the Master Deed.

**4. Purchaser's Assent to Condominium.** An association of co-owners has been established as a Michigan nonprofit corporation for the purpose of operating and maintaining the common elements of the condominium. Each owner of a condominium unit will be a member of the association. Purchaser agrees to abide by the terms and provisions contained in the Master Deed, Condominium Bylaws, and

Articles of Incorporation of the association. As a member of the association, Purchaser will be obligated to pay a proportionate share of the association assessments for maintenance, repair, replacement and other expenses of administration. Purchaser shall not have the rights or obligations of a co-owner or association member until closing.

**5. Acknowledgment of Receipt of Documents.** Purchaser acknowledges receipt of the following documents (the "Condominium Documents"): a. Recorded Master Deed and exhibits thereto, including amendments thereto, b. a copy of this agreement, c. a copy of the Condominium Buyers Handbook prepared by the Michigan Department of Commerce, d. a Disclosure Statement, and e. Escrow Agreement and amendment thereto. Any of the Condominium Documents (except this agreement) may be amended without Purchaser's consent provided the Purchaser may, prior to closing, withdraw from this agreement without penalty (and receive back the deposit) if any such amendment materially reduces any of Purchaser's rights. The foregoing documents, including any amendments, must comply with the provisions of the Michigan Condominium Act (the "Act").

**6. Deposit of Earnest Monies; Purchaser's Right of Withdrawal.** The parties agree to the following provisions which relate to certain requirements of the Act:

a. The deposits and any other funds paid by Purchaser hereunder (but not the funds due Developer at the closing of the sale) shall be held by Escrow Agent, and shall be returned to the Purchaser within three business days after withdrawal from this purchase agreement as provided in subparagraph (b.) below.

b. Unless Purchaser waives the right of withdrawal, Purchaser may withdraw from this agreement without cause and without penalty if the withdrawal is made before conveyance of the unit and within nine business days after receipt of the Condominium Documents given to Purchaser under paragraph 5 above, including the day on which the Condominium Documents are received if that day is a business day.



with local zoning and land use laws; second, that as of the date of establishment of the condominium, the local health department has reviewed the subdivision plan and sites for each unit, and as of that date suitable areas and locations exist to permit the construction and installation of individual well water and sewage treatment systems for the unit; and third, that Developer has provided to Purchaser an actual survey of Purchaser's Unit. Prior to closing, Purchaser must carefully inspect the unit, and ensure that the unit will be able, in the ordinary course, to receive permits for a well and septic system; and that any house plans the Purchaser contemplates will fit within the unit (excluding from the buildable areas the limited common elements that comprise the zoning setback areas). **All other warranties, express or implied, whether arising under state law or the Magnusson-Moss Act, including but not limited to, all implied warranties of fitness, merchantability or habitability, are disclaimed and excluded.**

**8. Limitation on Liability.** Developer's liability relating to the condominium, Purchaser's unit, or this agreement is strictly limited to the obligations provided in Developer's limited warranty stated above. All consequential or incidental damages are expressly disclaimed.

**9. Miscellaneous.**

a. This agreement shall not be binding upon Developer until accepted and signed by an authorized representative of Developer.

b. This agreement is binding upon the administrators, executors, assigns and successors of the respective parties.

c. This agreement constitutes the entire agreement between the parties and no oral representations or statements shall be considered a part of this agreement.

d. No agent, representative or sales representative has authority to make any statements, agreements or representations, either written oral, in connection herewith, modifying, adding to or changing the terms and

conditions set forth herein. Any change in the terms or conditions hereof may only be made in writing signed by all parties.

e. All written notices required or permitted by this agreement shall be sufficient if personally delivered to the party or sent by mail, postage prepaid, to the address shown below. For the purpose of calculating time periods in the provisions of this agreement, notice shall be deemed effective upon mailing or delivery, whichever is earlier.

f. This agreement may be assigned by the Developer to a successor developer or to a mortgagee but is not otherwise assignable without the consent of all parties hereto.

**10. Purchaser Acknowledgment.** Purchaser specifically acknowledges and represents that Purchaser has read this agreement and all exhibits attached to it. The Purchaser agrees to be bound by all of its terms and the Purchaser is not relying on any statement, promise, or condition not specifically set forth in this agreement. Purchaser further acknowledge that he or she has read and understands the Condominium Documents and agrees to be bound by all the terms thereof. **Specifically, but without limitation, Purchaser acknowledges having read and understood the restrictions contained in Article VIII of the Master Deed, and Articles VI of the Condominium Bylaws (relating to approval procedures for building through an architectural control committee) and VII, appended as Exhibit A to the Master Deed. Purchaser also acknowledges that the Condominium project may be adjacent to working farm land, and that under the Michigan Right to Farm Act, Purchaser takes subject to the rights of the adjacent farmers, if any.**

**12. Developer's Reserved Rights.** Developer reserves the right and power to grant easements over, or dedicate, portions of any of the condominium common elements for utility, conservation, drainage, street, safety, construction or any other purposes determined appropriate by Developer in its sole discretion.

**13. Additional Contingencies.** The parties agree to the

following additional contingencies to Purchaser's obligations hereunder: \_\_\_\_\_

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These additional contingencies shall be satisfied or waived by no later than \_\_\_\_\_.

**14. Eurasian Milfoil - Env'l Concerns.** Developer discloses that Price Lake and Twenty-Eight Lake (North and South) presently contain a non-native, invasive plant species known as Eurasian Milfoil. Developer is treating the lakes to abate and contain this species but makes no warranty or representation that such efforts are now or will be in the future successful. Purchaser releases Developer and its sales agents from any and all liability arising from the existence of this non-native species. The present chemical treatment being used may require temporary closure of the lakes to recreational uses, in the treating company's sole discretion. If left untreated, this non-native species will destroy through eutrophication (cutting off the oxygen supply) the lakes. However, the Developer has been informed that future permits to treat these lakes may not be forthcoming from the Michigan Department Environmental Quality based on the presence of loon nesting areas in those lakes (loons are protected species).

PURCHASER:

Dated: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

ACCEPTED BY DEVELOPER:

Dated: \_\_\_\_\_, Authorized Agent