

**MEADOWBROOK CONDOMINIUMS
PURCHASE AGREEMENT**

HDI Development Company, a Michigan co-partnership, ("Developer") hereby agrees to sell, and _____ ("Purchaser"), hereby agrees to purchase, on the terms and subject to the conditions set forth in this Agreement, Unit Number _____ (the "Unit") at Meadowbrook Condominiums, a residential site condominium located in Clinton County and Ingham County, Michigan.

1. **Purchase Price.** The Purchase price for Unit Number _____, located as indicated on the site plan for Meadowbrook Condominiums, (which Purchaser acknowledges he/she has examined), together with an undivided interest in the Common Elements appertaining thereto, shall be \$_____, payable in full upon execution and delivery of a Warranty Deed, subject to the matters described in paragraph 5 hereto.

To evidence his/her good faith, Purchaser has deposited with the Developer the sum of \$_____, which shall be held in escrow as provided in paragraph 2 below and applied to the purchase price at closing.

Purchaser agrees that, in addition to the purchase price above mentioned, he/she will be liable for his/her proportionate share of the Association assessments for maintenance, repair, replacement and other expenses of administration as outlines in the Condominium Bylaws of Meadowbrook Condominiums.

2. **Escrow of Funds.** Developer and Purchaser hereby agree that all amounts received by Developer under this Agreement shall be deposited in an escrow account with Metropolitan Title Company

("Escrow Agent") whose address is 2450 Delhi Commerce Drive, Suite 13, Holt, MI 48842, in accordance with the Michigan Condominium Act, and pursuant to the terms of an Escrow Agreement between Developer and Escrow Agent, a copy of which is attached hereto and incorporated by reference herein. If Purchaser withdraws from this Agreement in accordance with paragraph 4 below, all amounts deposited with Escrow Agent under this Agreement shall be returned to Purchaser within three (3) business days in full satisfaction of all rights of Purchaser, and thereupon this Agreement, and all rights and liabilities of Purchaser and Developer hereunder, shall be terminated.

3. Plan and Purpose. The Meadowbrook Condominiums Association has been established by Developer as a Michigan nonprofit corporation for the purpose of operating and maintaining the Common Elements of the Condominium. Each Co-owner will be a Member of the Association and will be subject to the Bylaws and regulations thereof. A representative of the person or persons owning each Unit will be entitled to one (1) vote in the affairs of the Association, the value of which shall equal the percentage allocated to the Unit owned by such Co-owner in the Master Deed. The Purchaser hereby agrees to abide by the terms, provisions, declarations, covenants and restrictions contained in the Master Deed, Condominium Subdivision Plan of Meadowbrook Condominiums, the Articles of Incorporation, Bylaws, and Rules and Regulations, if any, as amended, of the Meadowbrook Condominiums Association, and the combined Condominium and Association Bylaws (hereinafter collectively called the "Condominium Documents"), the contents of

which are as Developer, in its sole discretion, has determined appropriate, but which are in compliance with the Michigan Condominium Act.

4. Receipt of Documents; Withdrawal. On the date set forth in Acknowledgment which is attached hereto and incorporated by reference herein (the "Document Receipt Date"), Purchaser received from Developer:

(a) Copies of the Condominium Documents, including the recorded Master Deed;

(b) A copy of this Agreement in a form which was complete and ready for signature by Purchaser together with a copy of the Escrow Agreement.

(c) A Condominium Buyers Handbook published by the Michigan Department of Commerce, together with an insert thereto describing changes instituted by the 1983 amendments to the Condominium Act;

(d) An explanation form pursuant to Section 84a of the Condominium Act; and

(e) A Disclosure Statement for Meadowbrook Condominiums.

The Purchaser may withdraw from this Agreement without cause and without penalty if the withdrawal is made by written notice to Developer before the conveyance of title to the Unit as described in paragraph 2 above, and within nine (9) business days after the Document Receipt Date. Immediately after Purchaser's withdrawal from this Agreement, Purchaser shall execute and mail or deliver to Escrow Agent a Certificate in the form attached hereto as Exhibit "A". For purposes of any release of funds held by Escrow Agent, Purchaser's withdrawal shall not be effective until such

Certificate has been received by Escrow Agent at the following address:

2450 Delhi Commerce Drive, Suite 13
Holt, MI 48842
Attn: Janice Orr

For all other purposes, Purchaser's withdrawal shall be effective upon mailing or personal delivery of a written notice to Developer. If Purchaser does not withdraw, this Agreement shall become binding upon the elapse of nine (9) business days after the Document Receipt Date. The calculation of the nine (9) business day withdrawal period shall include the Document Receipt Date if such date is a business day. The term "business day" as used in this Agreement means a day other than a Saturday, Sunday or legal holiday.

5. Conveyance of Title. Developer agrees to convey to Purchaser good and marketable title by warranty deed to the Unit subject to: (a) easements, covenants and restrictions of record; (b) all governmental limitations, acts of Purchaser and the Condominium Documents; and (c) all installments of any special or supplemental assessment that are not at the time of the conveyance due and payable. Purchaser agrees to consummate the purchase of the Unit from the Developer with ten (10) days after Developer has notified Purchaser in writing that it is prepared to tender title and possession. It is understood that Purchaser will, at the time title is conveyed to Purchaser, pay all mortgage costs and such other closing costs as are customarily paid by the purchasers of comparable real estate in this jurisdiction. Insurance charges, if any, will be prorated to the date of closing. Special Assessments

which are to become a lien on the property on or before the date of closing of this Agreement shall be paid by Developer. Exceptions:

_____. Taxes shall be deemed to cover the calendar year in which the taxes become a lien. Taxes which become a lien in years prior to year of closing shall be paid by Developer without proration. Taxes which become a lien in year of closing shall be prorated so Developer shall be charged with taxes from the first of the year to the closing date and Purchaser charged with taxes for the balance of the year. If any bill for taxes proratable hereunder is not issued, the current S.E.V. and tax rate and any administrative fee shall be substituted, therefor and used in proration hereunder. Exceptions:_____

_____. Purchaser shall also be responsible for paying any special taxes of assessments, or any installments thereof, for improvement not completed as of the date of this Agreement. If the real property tax bills relative to the condominium property have not yet been split into separate tax bills for each Unit by the local tax assessor, Developer may require Purchaser to pay into an escrow account to be maintained by the Association an amount equal to Purchaser's estimated share of real estate taxes with respect to the Condominium Project which will next fall due.

An amount equal to two (2) months' estimated maintenance assessment shall be paid by Purchaser to the Association at the time of closing, as a working capital deposit, and this payment shall not act as a credit against any future assessment. Purchaser shall also, if required by Developer, make a proportionate

contribution to the Association's insurance reserve at the time of closing. Within a reasonable time after closing, Developer, at its expense, will furnish Purchaser with an owner's title insurance policy issued by Metropolitan Title Company in a face amount equal to the purchase price of the Unit, subject to the general printed exceptions contained in the policy and the permissible title exceptions hereinabove stated. A commitment to issue this title insurance policy from Metropolitan Title Company will be delivered by Developer to Purchaser at or before closing. This commitment shall be conclusive evidence that good and marketable title is being conveyed to Purchaser. If the commitment shows a defect in Developer's title, Developer shall have sixty (60) days to cure said defect. If Developer fails to clear its title within sixty (60) days, then, at the option of Purchaser, this Agreement shall become null and void and all amounts deposited with Escrow Agent under this Agreement shall be returned to Purchaser.

6. Cancellation Rights of Developer. It is understood that Purchaser's credit is subject to approval by Developer and by any proposed Mortgagee. In the event Developer or such Mortgagee determines that Purchaser does not have adequate credit for participation in this Project, then all amounts deposited with Escrow Agent under this Agreement shall be returned to Purchaser in full satisfaction of any rights of Purchaser, and thereupon this Agreement and all rights and liabilities of Purchaser and Developer hereunder shall be terminated.

If the Unit is located in a portion of the Condominium Project which is labeled "need not be built" in the Condominium Documents,

then Developer may at any time in its sole discretion, by written notice to Purchaser, elect not to build the Unit. In such event, all amounts deposited with Escrow Agent under this Agreement shall be returned to Purchaser in full satisfaction of any rights of Purchaser, and thereupon this Agreement and all rights and liabilities of Purchaser and Developer hereunder shall be terminated.

7. Assignment. Developer may, in its sole discretion, release the obligations of Purchaser under this Agreement in the event Purchaser shall secure any purchaser who is satisfactory to Developer. This Agreement is not otherwise assignable by Purchaser.

8. Default. If Purchaser shall default in any of his/her obligations under this Agreement and such default shall continue for ten (10) days following written notice from Developer, then, at the option of Developer, all rights of Purchaser under this Agreement shall immediately terminate. If Purchaser's rights are terminated after this Agreement becomes binding in accordance with paragraph 4 above, any amount paid toward the purchase price shall be retained by Developer as liquidated damages; provided, however, that such liquidated damages shall in no event exceed ten (10%) percent of the purchase price specified in paragraph 1 hereof. In lieu of accepting such liquidated damages, Developer may pursue such other legal and equitable remedies as may be available to it, including the right (which is hereby granted) to have this Agreement specifically enforced. If Purchaser's rights terminate before this Agreement becoming binding in accordance with paragraph

4 above, all sums paid by Purchaser shall be returned to him/her and all rights and liabilities of Purchaser and Developer under this Agreement shall be terminated.

9. **Arbitration of Claims.** At the exclusive option of Purchaser, any claim which might be the subject of a civil action against Developer which involves an amount less than \$2,500, and arises out of or related to this Purchase Agreement or the Unit or the Project to which this Agreement relates, shall be settled by binding arbitration conducted by the American Arbitration Association. The arbitration shall be conducted in accordance with the applicable law and the currently applicable rules of the American Arbitration Association. Judgment upon the award rendered by arbitration may be entered in a circuit court of appropriate jurisdiction.

10. **Oral Representation Not to be Relied Upon.** This Agreement constitutes the entire agreement between the parties, and there are no other agreements, oral or written, relating to this transaction. No oral representations or statements shall be considered a part hereof. This Agreement may not be amended, modified or changed except by written agreement signed by both Developer and Purchaser.

11. **Notices.** All notices required or permitted hereunder and all notices of change of address shall be in writing and shall be deemed sufficient if personally delivered or sent by ordinary first-class mail or by registered or certified mail, postage prepaid, addressed to the recipient party at the address shown below such party's signature to this Agreement. For purposes of

calculating time periods under the provisions of this Agreement, notice shall be deemed effective upon mailing or personal delivery, whichever is applicable.

12. Partial Invalidity. The invalidation of any portion of this Purchase Agreement shall not affect the validity of the remainder.

13. Binding Effect. This Agreement shall supersede any and all previous agreements between Developer and Purchaser with respect to the Unit and bind Developer and Purchaser, and their respective heirs, personal representatives, administrators, executors, assigns and successors.

This Agreement is executed by the parties on the _____ day of _____, 19__.

DEVELOPER

PURCHASER

HDI DEVELOPMENT COMPANY

Its: _____

Address: 4217 Okemos Road
Okemos, MI 48864
Telephone: (517) 349-2180

_____ Address

City State Zip

_____ Telephone Number

_____ Address

City State Zip

_____ Telephone Number