

HUNTER'S CREEK

PURCHASE AGREEMENT

DEVELOPER: Joyce & Don, LLC
192 Van Bruggen Street
Galesburg, Michigan 49053

PURCHASER: _____

Home Address: _____

City: _____ State: _____ Phone: (____) _____

Office Address: _____

City: _____ State: _____ Phone: (____) _____

1. **OWNERSHIP.** Developer offers to sell to Purchaser, and Purchaser agrees to purchase from Developer Unit No. ____ of Hunter's Creek, a condominium in Comstock Township, Michigan, together with an undivided interest as a tenant in common in the "common areas and facilities" being the common elements of the Condominium (hereafter the "Unit"). Title to the Unit shall be subject to all matters of record, all public laws and ordinances, all covenants, restrictions and rules and regulations of the condominium, all easements presently existing or hereafter granted provided they do not unreasonably interfere with the use of the Unit, all service contracts affecting the condominium presently existing or entered hereafter.

2. **DESCRIPTION OF REAL ESTATE.** The site plan of the condominium which includes the Unit has been delivered to Purchaser, who acknowledges receipt of same. Developer reserves the right to make changes in the site plan as permitted by the condominium documents.

3. **PURCHASE PRICE.** The purchase price which Purchaser shall pay to Developer for the Unit shall be: _____ Dollars (\$____), plus the sum of amount indicated on attached Exhibit A for the "Custom Work" described therein.

4. **TERMS OF PAYMENT.** The purchase price shall be payable on the following terms:

(1) _____
Dollars (\$____) on execution of this Agreement.

(2) _____
Dollars (\$_____) at the time this Agreement becomes a binding Purchase Agreement.

(3) The balance of the purchase price, closing costs and other payments required herein shall be paid by Purchaser in accordance with the Construction Draw Schedule attached as Exhibit B.

5. CONSTRUCTION. Watts Construction Company, Inc. warrants the workmanship and materials in the Unit for a period of one (1) year from the date of closing against defects arising out of faulty workmanship and material.

6. ESCROW. Upon receipt of any payment hereunder, Developer shall deposit all funds in an escrow account with Title Bond & Mortgage Company, whose address is 125 Exchange Place, Kalamazoo, Michigan 49007 ("Escrow Agent"). Funds due a developer from the closing of a Unit sale need not be deposited in escrow if such funds are not required by other provisions of the Condominium Act to be retained in escrow after such closing. After expiration of the withdrawal period, the Developer shall retain amounts in escrow or provide other adequate security as provided in Section 103 of the "Condominium Act" to assure completion of only those uncompleted structures and improvements labeled under the terms of the Condominium Documents as "Must Be Built". The Escrow Agreement between Developer and Escrow Agent is made a part hereof and is hereby incorporated in this Agreement.

7. RETURN OF ESCROW. In the event Purchaser exercises their right to withdrawal as set forth herein, all funds deposited with Escrow Agent shall be returned to Purchaser within three (3) business days from the withdrawal date.

8. EXPANDABLE CONDOMINIUM. Purchaser acknowledges that the Condominium may be expanded by the Developer as is set forth in the Master Deed.

9. UNIT CO-OWNER'S ASSOCIATION. The Hunter's Creek Condominium Association, a Michigan non-profit corporation, has been established for the purpose of administering the affairs of the Condominium, operating and maintaining the Common Elements, and enforcing the use and occupancy restrictions and any rules and regulations of the Association. Each Co-Owner shall be a member of the Association and will be entitled to one (1) vote when voting by number or value. Purchaser hereby agrees to abide by the terms, provisions, declarations, covenants and restrictions contained in the Master Deed, Condominium Bylaws and Condominium Subdivision Plans of Hunter's Creek and the Articles of Incorporation, Bylaws and rules and regulations, if any, of the Condominium Association, the contents of which documents will be as Developer in its sole discretion, deems appropriate. Purchaser shall also pay a one-time non-refundable buy-in fee to Hunter's Creek Condominium Association equal to Five Hundred and no/100 Dollars (\$500).

10. MASTER ASSOCIATION. Purchaser acknowledges that upon closing of the Unit, Purchaser shall become a member of the Hunter's Run Association ("Master Association"). Purchaser hereby agrees to be bound by and to conduct itself in accordance with all of the terms, provision, declarations, requirements, covenants and restrictions related to the Master Association. Purchaser understands and agrees that Purchaser shall be required to pay assessments to the Master Association.

11. EFFECT OF AGREEMENT. UNLESS THE PURCHASER WAIVES THE RIGHT OF WITHDRAWAL, THE PURCHASER MAY WITHDRAW FROM THIS SALES 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 FOLLOWING DOCUMENTS:

- A. THE PREVIOUSLY RECORDED MASTER DEED INCLUDING CONDOMINIUM BYLAWS AND SUBDIVISION PLANS;
- B. A COPY OF THIS PURCHASE AGREEMENT;
- C. A CONDOMINIUM BUYER'S HANDBOOK CONTAINING, IN A PROMINENT LOCATION AND IN BOLDFACE TYPE, THE NAME, TELEPHONE NUMBER AND ADDRESS OF THE PERSON DESIGNATED BY THE MICHIGAN DEPARTMENT OF COMMERCE TO RESPOND TO COMPLAINTS;
- D. A DISCLOSURE STATEMENT;
- E. ARTICLES OF INCORPORATION OF THE CONDOMINIUM ASSOCIATION;
- F. CONDOMINIUM ASSOCIATION BYLAWS;
- G. ESCROW AGREEMENT; and
- H. INSTRUCTION SHEET.

THE CALCULATION OF THE NINE BUSINESS DAY PERIOD SHALL INCLUDE THE DAY ON WHICH THE ABOVE LISTED DOCUMENTS ARE RECEIVED, IF THAT DAY IS A BUSINESS DAY.

AFTER THE EXPIRATION OF THE WITHDRAWAL PERIOD, THE DEVELOPER IS REQUIRED TO RETAIN SUFFICIENT FUNDS IN ESCROW OR TO PROVIDE SUFFICIENT SECURITY TO ASSURE COMPLETION OF ONLY THOSE UNCOMPLETED STRUCTURES AND IMPROVEMENTS LABELED UNDER THE TERMS OF THE CONDOMINIUM DOCUMENTS, "MUST BE BUILT".

12. CLOSING. This sale shall be closed upon payment of the purchase price and delivery of a warranty deed as required by this Agreement. The closing shall be held at the offices of Developer or at such other place designated by Developer. The closing shall occur no later than ten (10) business days after Developer notifies Purchaser that Developer is prepared to tender title.
13. CLOSING COSTS. Purchaser shall pay for recording the deed to the Unit and mortgage (if any), a proportionate share of the insurance reserve contribution (if any), any other costs incurred at Purchaser's request, and other closing costs customarily paid by purchasers of comparable real estate in Kalamazoo County, Michigan.
14. POSSESSION. Developer agrees to deliver possession of the Unit at the time of closing unless otherwise mutually agreed by Purchaser and Developer.
15. TITLE INSURANCE. At or prior to closing, the Developer shall provide Purchaser with a standard form commitment for issuance of a policy of title insurance by such title insurance company as Developer may designate showing title in Purchaser subject to (a) the standard exceptions contained in the policy and (b) the title exceptions set forth above, and promptly after closing shall cause to be issued and delivered to Purchaser an owner's policy of title insurance in the amount of the purchase price. The title policy or commitment therefore shall be conclusive evidence that a good and indefeasible title is being conveyed to Purchaser and shall be in the amount of the purchase price designated in this Agreement. If the owner's policy or commitment shows a defect in Developer's title, Developer shall have 120 days from date of delivery to cure said defect. If Developer fails to clear its title, then Purchaser may, as its exclusive option, terminate this Agreement.
16. PRORATIONS. General real estate taxes, rents, assessments, insurance, and any other items customarily prorated are to be adjusted to the date of closing. General real estate taxes shall be prorated on the basis of the last ascertainable tax bill and taxes shall be deemed to cover the year in which they first become due and payable. If the last ascertainable tax bill is assessed on the entire condominium, then the tax on the Unit shall be computed by multiplying the total tax bill by the percentage of value assigned to the Unit. In such case, Purchaser shall pay to Developer, upon receipt of a bill, Purchaser's proportionate share of such taxes accruing after the closing, which shall be held in escrow. If Purchaser shall on the date of this contract have possession of the Unit as a tenant or as lessee under written lease, its possession shall continue on that basis and all rent payments shall be made when due until this sale is closed and at closing, Purchaser's interest as tenant or lessee shall be merged into its title as Co-Owner.
17. CANCELLATION RIGHTS OF PURCHASER. In the event that Purchaser notifies Developer in writing at any time prior to the time this Agreement becomes a binding purchase agreement as specified above, that Purchaser wishes to withdraw from this Agreement for any reason, the amounts theretofore paid under this Agreement will be refunded in full satisfaction and termination of any rights of Purchaser and thereupon all rights and liabilities of Purchaser and Developer of any sort hereunder shall wholly cease and terminate.

18. CANCELLATION RIGHTS OF DEVELOPER. If Developer determines not to establish any portion of the condominium or to make substantial changes in the site plan or other condominium documents, then Developer shall so notify Purchaser in writing. In any of such events, Developer reserves the right to return all sums received for the right to purchase the Unit to Purchaser or his successors, and thereupon, all rights of Purchaser shall cease and terminate without further liability on the part of the Developer.

It is understood that Purchaser's credit is subject to approval by Developer and by any proposed mortgagee. In the event that either Developer or such mortgagee determines that Purchaser does not meet credit requirements for participation in this project, then Developer shall return to Purchaser all of the sums paid hereunder and this Agreement shall be deemed null and void and all of Purchaser's and Developer's rights shall cease and terminate without further liability on the part of either party.

19. DEFAULT. If the Purchaser shall default in any of the payments or obligations called for in this Agreement and such default shall continue for ten (10) days after written notice sent by the Developer to the Purchaser, then, at the option of the Developer all rights of Purchaser under this Agreement shall terminate. If Purchaser's rights are terminated subsequent to this Agreement becoming a binding purchase agreement as provided above, any amount paid toward the purchase price may, at the option of Developer, be retained by the Developer as liquidated damages; provided, however, that such liquidated damages shall in no event exceed ten percent (10%) of the purchase price specified on this Agreement; however, nothing herein shall prevent Developer from obtaining specific performance, damages or any other remedy at law or at equity. If Purchaser's rights terminate prior to the time this Agreement becomes binding, all sums paid by Purchaser shall be refunded and neither party shall have any further obligations.

20. ADVERTISING. For the purpose of completing the sales promotion of this condominium development, Developer, its agents, successors and assigns, are hereby given full right and authority to maintain on the condominium (excluding the Unit) until the sale of the last condominium unit therein, such signs, banners, transient parking, sales offices and models as Developer may desire, together with the rights of ingress and egress therefrom for Developer and its agents, successors and assigns, and any of their respective licensees or invitees. Developer shall restore the facilities to habitable status upon termination of use.

21. ASSIGNABILITY. Purchaser shall not assign, set over or transfer this Agreement or any of Purchaser's rights or interest hereunder without the prior written consent of the Developer, and at Developer's option any such purported assignment shall be void and of no effect.

22. NO IMPLIED WARRANTIES. PURCHASER WARRANTS THAT NO BROKER (OTHER THAN A COMPANY RELATED TO OR AFFILIATED WITH THE DEVELOPER) WAS INSTRUMENTAL IN SUBLETTING, SHOWING OR SELLING THE UNIT, UNLESS OTHERWISE DISCLOSED TO SELLER AND BUYER IN WRITING. PURCHASER ACKNOWLEDGES THAT PURCHASER IS BUYING THE UNIT AND THE UNIT COVERED BY THIS AGREEMENT WITHOUT WARRANTY OR REPRESENTATION OF ANY KIND, EXPRESS OR IMPLIED, BY DEVELOPER, OR BY ANY AGENT OR BROKER OF

DEVELOPER, UNLESS EXPRESSLY STATED HEREIN OR IN THE MASTER DEED OF SAID PROJECT.

23. ENTIRE AGREEMENT. THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO REPRESENTATIONS, WARRANTIES, UNDERTAKINGS, OR PROMISES, WHETHER ORAL, IMPLIED OR OTHERWISE, CAN BE MADE OR HAVE BEEN MADE BY EITHER DEVELOPER OR ITS AGENTS OR BROKERS, TO PURCHASER OR ANYONE ELSE UNLESS EXPRESSLY STATED HEREIN OR UNLESS MUTUALLY AGREED IN WRITING BY THE PARTIES. ALL AMENDMENTS, SUPPLEMENTS OR RIDERS HERETO, IF ANY, SHALL BE IN WRITING EXECUTED BY BOTH PARTIES AND ATTACHED TO THIS AGREEMENT. PURCHASER SHALL NOT RECORD THIS AGREEMENT OR ANY MEMORANDUM THEREOF.
24. NOTICES. All written notices required or permitted hereunder and all notices of change of address shall be deemed sufficient if personally delivered or sent by ordinary first class mail or by registered or certified mail, postage prepaid, and return receipt requested, 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.
25. CONDITION PRECEDENT. Prior to the recordation of a Master Deed establishing the condominium, all rights and obligations of the parties as set forth herein shall be conditioned upon the determination made by the Developer, in its sole discretion, that the number of units reserved is sufficient to insure the success of the Project. If no such determination is reached by the Developer, the Project may be terminated. Any determination by Developer for this purpose shall be evidenced by written notice to Purchaser.
26. USAGE OF TERMS. The pronouns and relative words herein used shall be construed respectively to include the masculine, feminine and neuter genders and the singular and plural numbers unless the contract indicates a contrary intention.
27. THE CONDOMINIUM BUYER'S HANDBOOK. Purchaser acknowledges receipt prior to execution of this agreement of a copy of The Condominium Buyer's Handbook published by the Michigan Department of Commerce.
28. BINDING AGREEMENT. The covenants herein shall bind the heirs, personal representatives, administrators, executors, assigns and successors of the respective parties.
29. MERGER. All understandings and agreements heretofore made between the parties hereto are merged in this Agreement which expresses the parties' entire agreement, and no representations, warranties, or conditions or statements, oral or written, not contained herein shall be considered a part hereof. This Agreement may not be altered, enlarged, modified or changed except by an instrument in writing executed by all of the parties hereto. Anything to the contrary herein contained notwithstanding, it is specifically understood and agreed by the parties hereto that the acceptance of the delivery of the deed at the time of the closing hereunder shall constitute full compliance by the Developer with the terms of this Agreement, that none of the terms hereof, except as otherwise herein

specifically provided, shall survive settlement and the terms hereof shall be merged into and extinguished by the delivery of the deed at the time of the closing of the title.

30. CUSTOM FINISHING. Items in the nature of "custom finishing", optional items, refurbishing, decorating, repair or the like, which are not standard, may be effected by and at the cost of the Purchaser only with the prior written consent of the Developer, and under such conditions as the Developer may establish.

31. MISCELLANEOUS. The laws of the State of Michigan shall govern the interpretation, validity and construction of the terms and conditions of this Agreement. The captions of this Agreement are for the convenience of the parties and shall not be considered as a material part hereof. This Agreement may be executed in counterparts, each of which, when so executed, may be considered an original.

32. ARBITRATION. AT THE EXCLUSIVE OPTION OF THE PURCHASER, ANY CLAIM WHICH MIGHT BE THE SUBJECT OF A CIVIL ACTION AGAINST THE DEVELOPER WHICH INVOLVES AN AMOUNT LESS THAN \$2,500.00, AND ARISES OUT OF OR RELATES TO THE PURCHASE AGREEMENT OR THE UNIT OR 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 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.

33. RESTRICTIONS. PURCHASER UNDERSTANDS THAT THE CONDOMINIUM MASTER DEED CONTAINS PROVISIONS RESTRICTING LEASING, SALES AND MORTGAGING OF THE UNIT, NONE OF WHICH BIND THE DEVELOPER, AND PURCHASER AGREES TO BE BOUND BY SUCH PROVISIONS, AS WELL AS ALL OTHER PROVISIONS OF THE CONDOMINIUM DOCUMENTS IDENTIFIED IN THE RECEIPT AS WELL AS AMENDMENTS THERETO.

34. ADDENDUM. Any addendum to this Agreement shall be in writing, separately signed, attached to this Agreement, and effective upon delivery. All such addendums shall be a part of this Agreement and governed by all of the term and conditions of this Agreement. In the event there is an inconsistency between any addendum and this Agreement, the addendum shall govern.

35. ACCEPTANCE. Developer shall have until _____ p.m. on _____, 2000, to accept or reject Purchaser's offer. If Developer fails to deliver its acceptance to Purchaser within such period, this offer shall terminate.

36. COUNTER-OFFER. The terms and conditions of this Agreement are accepted in accordance with Counter-Offer No. _____, which is attached hereto. This Agreement and the Counter-Offer shall be deemed accepted upon delivery of Purchaser's acceptance of the Counter-Offer to Developer.

IN WITNESS WHEREOF, the parties have executed this agreement this _____ day of _____, 2000.

PURCHASER

DEVELOPER

Joyce & Don, LLC

By: _____
Donald F. Watts

Its: Managing Member

EXHIBIT A

EXHIBIT B