

MICHIGAN PROPERTY REPORT REQUIREMENTS

Please use the following format if the property report is being developed specifically for Michigan.

PUBLIC PROPERTY REPORT

(May also be called "Development Public Report" or "Public Offering Statement")
Date _____

Name of Units Involved:

Opening Statement

THE STATE OF MICHIGAN HAS NOT APPROVED, NOR DISAPPROVED, THE QUALITY, VALUE OR MERIT OF THIS OFFERING. PROSPECTIVE BUYERS ARE URGED TO INSPECT THIS PROPERTY AND TAKE REASONABLE TIME TO REVIEW THIS DOCUMENT BEFORE SIGNING ANY PURCHASE AGREEMENT.

COMPLAINTS CONCERNING SALE OR PROMOTION OF SALE OF THIS DEVELOPMENT

The project/development will be promoted in Michigan by Michigan brokers. Complaints concerning their activities may be filed with:

Michigan Department of Labor & Economic Growth
Bureau of Commercial Services
Enforcement Division
P.O. Box 30018
Lansing, MI 48909

MICHIGAN BROKERS & SALESPERSON

The Michigan broker or salesperson who has given this report to you must insert his/her name and identification number below:

Name of Broker or Salesperson

Address

Permanent ID Number: 650 _____

DO NOT SIGN UNLESS YOU HAVE READ THIS REPORT

Receipt of Public Property Report for: _____

I have read this Public Property Report dated: _____ and consisting of _____ pages, and have been given a copy of this Report.

Signature of Prospective Purchaser _____ Date _____

Address _____

Signature of Broker or Salesperson _____ Name of Broker _____

THE DEVELOPER AND THE MICHIGAN BROKER ARE REQUIRED TO RETAIN THIS RECEIPT, OR A COPY THEREOF, FOR A PERIOD OF THREE (3) YEARS OR FOR THE TERM OF YOUR CONTRACT, WHICHEVER IS LONGER

RISK FACTORS

Provide a brief description of the risk factors. These should include the type of venture and how it is offered for sale, how it is operated, the assessment rights and how expenses and operations are controlled. Any other risk factors should be described.

For example:

Island Manor is a single-family condominium, time-share project/development. The units will be offered for sale for cash or developer financing and will be ready for occupancy by (date). The Condominium Association has the right to levy assessments against purchasers for maintenance of the common areas and other purposes. Control of the operation and expenses are limited to purchasers' right to vote at Association meetings.

DEVELOPER

Include a statement of the developer's experience and fiscal integrity.

DOCUMENTS TO BE INCLUDED IN REPORT

A current copy of the following must be included:

- A. Offer to Purchase Contract(s)
- B. Articles of Incorporation of Association of Owners
- C. By-Laws of the Association
- D. Rental Pool Agreement
- E. Management Contract

OWNER'S ASSOCIATION

Estimated Monthly Association Expenses: (Also include expenses that time-share owners will incur beyond common expenses, such as cleaning, amenities, etc.)

RENTAL, RESALE OR EXCHANGE OF UNIT OR TIME-SHARE INTEREST

Explain the process and any restrictions or expenses involved.

PURCHASE MONEY DETAILS

Explain any seller financing terms, refund rights or penalties.

APPLICABLE LAW

Detail any applicable law that impacts the transaction, usually the situs state laws.

TITLE CONVEYANCE & ENCUMBERANCES

Explain what type of conveyance is used and any encumbrances.

WARRANTIES TO PURCHASER TAX ESTIMATES RESTRICTIONS ON USE OF OWNER'S INTEREST

Provide detailed information for all three.