

CONTRACT OF SALE

WARNING: NO REPRESENTATION IS MADE THAT THIS FORM OF CONTRACT FOR THE SALE AND PURCHASE OF REAL ESTATE COMPLIES WITH SECTION 5-702 OF THE GENERAL OBLIGATIONS LAW (öPLAIN ENGLISHö).

CONSULT YOUR LAWYER BEFORE SIGNING IT.

NOTE: FIRE AND CASUALTY LOSSES: This contract form does not provide for what happens in the event of fire or casualty loss before the title closing. Unless different provision is made in this contract, Section 5-1311 of the General Obligations Law will apply. One part of that law makes a purchaser responsible for fire and casualty loss upon taking of title to or possession of the premises.

Date: **CONTRACT OF SALE** made as of the ____ day of _____, 20____
BETWEEN _____

Parties: Address: _____
hereinafter called öSELLER,ö who agrees to sell, and

Address: _____
hereinafter called öPURCHASER,ö who agrees to buy

Premises: The property, including all buildings and improvements thereon (the öPREMISESö) (more fully described on a separate page marked öSchedule Aö) and also known as:

Street Address: _____

Tax Map Designation: _____

Together with SELLER's interest, if any, in streets and unpaid awards as set forth in Paragraph 9.

Personal Property: The sale also includes all fixtures and articles of personal property attached to or used in connection with the PREMISES, unless specifically excluded below. SELLER states that they are paid for and owned by SELLER free and clear of any lien other than the EXISTING MORTGAGE(S). They include but are not limited to plumbing, heating, lighting and cooking fixtures, bathroom and kitchen cabinets, mantels, door mirrors, venetian blinds, shades, screens, awnings, storm windows, window boxes, storm doors, mail boxes, weather vanes, flagpoles, pumps, shrubbery, fencing, outdoor statuary, tool sheds, dishwashers, washing machines, clothes dryers, garbage disposal units, ranges, refrigerators, freezers, air conditioning equipment and installations, and wall-to-wall carpeting.

Excluded from this sale are: Furniture and household furnishings .

Purchase Price: 1. a. The purchase price is \$ _____

Payable as follows:

On the signing of this contract, by check subject to collection: \$ _____

By allowance for the principal amount still unpaid on EXISTING MORTGAGE(S): \$ _____

By a Purchase Money Note and Mortgage from Purchaser (or assigns) to SELLER: \$ _____

BALANCE AT CLOSING: \$ _____ **0.00**

b. If this sale is subject to an EXISTING MORTGAGE, the Purchase Money Note and Mortgage will also provide that it will remain subject to the prior lien of any EXISTING MORTGAGE even though the EXISTING MORTGAGE is extended or modified in good faith. The Purchase Money Note and Mortgage shall be drawn on the _____ standard form by the attorney for SELLER. PURCHASER shall pay the mortgage recording tax, recording fees and the attorney's fees in the amount of \$ _____ for its preparation.

c. If any required payments are made on an EXISTING MORTGAGE between now and CLOSING which reduce the unpaid principal amount of an EXISTING MORTGAGE below the amount shown in Paragraph 2, then the balance of the price payable at CLOSING will be adjusted. SELLER agrees that the amount shown in Paragraph 2 is reasonably correct and that only payments required by the EXISTING MORTGAGE will be made.

d. If there is a mortgage escrow account that is maintained for the purpose of paying taxes or insurance, etc., SELLER shall assign it to PURCHASER, if it can be assigned. In that event PURCHASER shall pay the amount in the escrow account to SELLER at CLOSING.

*Existing
Mortgage(s):*

2. The PREMISES will be conveyed subject to the continuing lien of
EXISTING MORTGAGE(S) as follows:

Mortgage now in the unpaid principal amount of \$_____ and
interest at the rate of _____ percent per year, presently payable in
installments of \$_____, which include principal, interest, and with
any balance of principal being due and payable on _____.

SELLER hereby states that no EXISTING MORTGAGE contains any
provision that permits the holder of the mortgage to require its immediate
payment in full or to change any other term thereof by reason of the fact of
CLOSING.

*Acceptable
Funds:*

3. All money payable under this contract, unless otherwise specified, shall be
either:

- a. Cash, but not over one thousand (\$1,000.00) Dollars ;
- b. Good certified check of PURCHASER, or official check of any bank,
savings bank, trust company, or savings and loan association having a banking
office in the State of New York, payable to the order of SELLER, or to the
order of PURCHASER and duly endorsed by PURCHASER (if an individual)
to the order of SELLER in the presence of SELLER or SELLER'S attorney;
- c. Money other than the purchase price, payable to SELLER at
CLOSING, may be by check of PURCHASER up to the amount of
_____ dollars
(\$_____); or

d. As otherwise agreed to in writing by SELLER or SELLER'S attorney.

*Subject to
Provisions:*

4. The PREMISES are to be transferred subject to:

- a. Laws and governmental regulations that affect the use and maintenance
of the PREMISES, provided that they are not violated by the buildings and
improvements erected on the PREMISES.
- b. Consents for the erection of any structures on, under or above any
streets on which the PREMISES abut.
- c. Encroachments of stoops, areas, cellar steps, trim and cornices, if any,
upon any street or highway.

*Title
Company
Approval:*

5. SELLER shall give and PURCHASER shall accept such title as _____
_____ will be willing to approve and insure in accordance with the standard form of
title policy approved by the New York State Insurance Department, subject
only to the matters provided for in this contract.

*Closing
Defined and
Form of
Deed:*

6. "CLOSING" means the settlement of the obligations of SELLER and PURCHASER to each other under this contract, including the payment of the purchase price to SELLER, and the delivery to PURCHASER of a _____ deed in proper statutory form for recording so as to transfer full ownership (fee simple title) to the PREMISES, free of all encumbrances except as herein stated. The deed will contain a covenant by SELLER as required by Section 13 of the Lien Law.

If SELLER is a corporation, it will deliver to PURCHASER at the time of CLOSING (a) a resolution of its Board of Directors authorizing the sale and delivery of the deed; and (b) a certificate by the Secretary or Assistant Secretary of the corporation certifying such resolution and setting forth facts showing that the transfer is in conformity with the requirements of Section 909 of the Business Corporation Law. The deed in such case shall contain a recital sufficient to establish compliance with that section.

*Closing Date
and Place:*

7. CLOSING will take place at the office of _____
at _____ o'clock on _____, 20_____.

Broker:

8. PURCHASER hereby states that PURCHASER has not dealt with any broker in connection with this sale other than _____ and SELLER agrees to pay the broker the commission earned thereby (pursuant to separate agreement).

*Streets and
Assignment
of Unpaid
Awards:*

9. This sale includes all of SELLER'S ownership and rights, if any, in any land lying in the bed of any street or highway, opened or proposed, in front of or adjoining the PREMISES to the center line thereof. It also includes any right of SELLER to any unpaid award by reason of any taking by condemnation and/or for any damage to the PREMISES by reason of change of grade of any street or highway. SELLER will deliver at no additional cost to PURCHASER, at CLOSING, or thereafter, on demand, any documents which PURCHASER may require to collect the award and damages.

*Mortgage's
Certificate or
Letter as to
Existing
Mortgage(s):*

10. SELLER agrees to deliver to PURCHASER at CLOSING a certificate dated not more than _____ (____) days before CLOSING signed by the holder of each EXISTING MORTGAGE, in form for recording, certifying the amount of the unpaid principal and interest, date of maturity, and rate of interest. SELLER shall pay the fees for recording such certificate. If the holder of a mortgage is a bank or other institution as defined in Section 274-a, Real Property Law, it may, instead of the certificate, furnish an unqualified letter dated not more than _____ (____) days before CLOSING containing the same information. SELLER hereby states that any EXISTING MORTGAGE will not be in default at the time of CLOSING.

Compliance with State and Municipal Department Violations and Orders:

11. a. SELLER will comply with all notes or notices of violations of law or municipal ordinances, orders or requirements noted in or issued by any governmental department having authority as to lands, housing, buildings, fire, health and labor conditions affecting the PREMISES at the date hereof. The PREMISES shall be transferred free of them at CLOSING and this provision shall survive CLOSING. SELLER shall furnish PURCHASER with any authorizations necessary to make the searches that could disclose these matters.

Omit if the Property is not in the City of New York:

b. All obligations affecting the PREMISES, incurred pursuant to the Administrative Code of the City of New York prior to CLOSING and payable in money shall be discharged by SELLER at CLOSING. This provision shall survive CLOSING.

Installment Assessment:

12. If at the time of CLOSING the PREMISES are affected by an assessment which is or may become payable in annual installments, and the first installment is then a lien, or has been paid, then for the purposes of this contract all the unpaid installments shall be considered due and are to be paid by SELLER at CLOSING.

Apportionments:

13. The following are to be apportioned as of _____ [a.m./p.m.] of the day before CLOSING: (a) Rents as and when collected. (b) Interest on EXISTING MORTGAGE(S). (c) Premiums on existing transferable insurance policies and renewals of those expiring prior to CLOSING. (d) Taxes, water charges and sewer rents, on the basis of the fiscal period for which assessed. (e) Fuel, if any. (f) Vault charges, if any.

If CLOSING shall occur before a new tax rate is fixed, the apportionment of taxes shall be upon the basis of the old tax rate for the preceding period applied to the latest assessed valuation.

Any errors or omissions in computing apportionments at CLOSING shall be corrected. This provision shall survive CLOSING.

Water Meter Readings:

14. If there be a water meter on the PREMISES, SELLER shall furnish a reading to a date not more than _____ (_____) days before CLOSING date and the unfixed meter charge and sewer rent, if any, shall be apportioned on the basis of such last reading.

Allowance for Unpaid Taxes, etc.:

15. SELLER has the option to credit PURCHASER as an adjustment of the purchase price with the amount of any unpaid taxes, assessments, water charges and sewer rents, together with any interest and penalties thereon to a date not less than _____ (_____) business days after CLOSING, provided that official bills therefor computed to said date are produced at CLOSING.

Use of Purchase Price to Pay Encumbrances: 16. If there is anything else affecting the sale of which SELLER is obligated to pay and discharge at CLOSING, SELLER may use any portion of the balance of the purchase price to discharge it. As an alternative SELLER may deposit money with the title insurance company employed by PURCHASER and required by it to assure its discharge; but only if the title insurance company will insure PURCHASER'S title clear of the matter or insure against its enforcement out of the PREMISES. Upon request, made within a reasonable time before CLOSING, the PURCHASER agrees to provide separate certified checks as requested to assist in clearing up these matters.

Affidavit as to Judgments, Bankruptcies Etc.: 17. If a title examination discloses judgments, bankruptcies or other returns against persons having names the same or similar to that of SELLER, SELLER shall deliver a satisfactory detailed affidavit at CLOSING showing that they are not against SELLER.

Deed Transfer and Recording Taxes: 18. At CLOSING, SELLER shall deliver a certified check payable to the order of the appropriate State, City or County officer in the amount of any applicable transfer and/or recording tax payable by reason of the delivery or recording of the deed, together with any required tax return. PURCHASER agrees to duly complete the tax return and to cause the check(s) and the tax return to be delivered to the appropriate officer promptly after CLOSING.

Purchaser's Lien: 19. All money paid on account of this contract, and the reasonable expenses of examination of the title to the PREMISES and of any survey and survey inspection charges are hereby made liens on the PREMISES and collectable out of the PREMISES. Such liens shall not continue after default in performance of the contract by PURCHASER.

Seller's Inability to Convey Limitation of Liability: 20. If SELLER is unable to transfer title to PURCHASER in accordance with this contract, SELLER'S sole liability shall be to refund all money paid on account of this contract, plus all charges made for: (i) examining the title; (ii) any appropriate additional searches made in accordance with this contract; and (iii) survey and survey inspection charges. Upon such refund and payment, this contract shall be considered cancelled, and neither SELLER nor PURCHASER shall have any further rights against the other.

Condition of Property: 21. PURCHASER has inspected the buildings on the PREMISES and the personal property included in this sale and is thoroughly acquainted with their condition. PURCHASER agrees to purchase them as is and in their present condition subject to reasonable use, wear, tear and natural deterioration between now and CLOSING. PURCHASER shall have the right, after reasonable notice to SELLER, to inspect them before CLOSING.

Entire Agreement: 22. All prior understandings and agreements between SELLER and PURCHASER are merged in this contract. It completely expresses their full agreement. It has been entered into after full investigation, neither party relying upon statements made by anyone else that is not set forth in this contract.

*Changes
Must be in
Writing:*

23. This contract may not be changed or cancelled except in writing. The contract shall also apply to and bind the distributees, heirs, executors, administrators, successors and assigns of the respective parties. Each of the parties hereby authorize their attorneys to agree in writing to any changes in dates and time periods provided for in this contract.

*Singular
Also Means
Plural:*

24. Any singular word or term herein shall also be read as in the plural whenever the sense of this contract may require it.

In Presence Of:

IN WITNESS WHEREOF, this contract has been duly executed by the parties hereto.

Seller

Social Security No./Fed. I.D. No.

Seller

Social Security No./Fed. I.D. No.

Purchaser

Social Security No./Fed. I.D. No.

Purchaser

Social Security No./Fed. I.D. No.

Attorney for Seller:

Attorney for Purchaser:

Address:

Address:

Tel.:

Fax:

Tel.:

Fax:

Closing of title under the within contract is hereby adjourned to _____, 20____, at _____ o'clock at _____; title to be closed and all adjustments to be made as of _____, 20_____.

Dated: _____, 20_____

For value received, the within contract and all the right, title and interest of the Purchaser thereunder are hereby assigned, transferred and set over unto _____ and said assignee assumes all obligations of the Purchaser thereunder.

Dated: _____, 20_____

Sample

.....
Purchaser

.....
Assignee of Purchaser

Contract of Sale

PREMISES

Title No.

TO

Distributed by

TITLE
INSURANCE COMPANY

SECTION
BLOCK
LOT

COUNTY OR TOWN
STREET ADDRESS

TAX BILLING ADDRESS

Sample