

INSTALLMENT SALES CONTRACT

FOR THE

SALE OF REAL PROPERTY IN NEW YORK

AGREEMENT made this day of, 20\_\_ between \_\_\_\_\_ and \_\_\_\_\_ residing at \_\_\_\_\_ New York, \_\_\_\_\_ hereinafter called the SELLER, and \_\_\_\_\_ and \_\_\_\_\_ residing at \_\_\_\_\_, New Jersey, \_\_\_\_\_ hereinafter called the BUYER.

WHEREAS, the Seller is the owner, in fee, of certain premises, including all buildings and improvements thereon (hereinafter called the PREMISES), more fully described on a separate page marked "Schedule A", and also known as:

Street Address:

Tax Map Designation: Sec. \_\_\_\_\_, Block \_\_\_\_\_ Lot \_\_\_\_\_

WHEREAS, the Buyer is desirous of purchasing the premises from the Seller;

NOW, THEREFORE, it is agreed as follows:

1. That the Seller agrees to sell and the Buyer agrees to buy the Premises, subject to:

a) Covenants, restrictions, reservations, agreements and easements of record, if any, provided same are not violated by the present structures or the use thereof.

b) Zoning ordinances and regulations adopted by the local municipalities, which are not violated by the existing structures, or the use thereof.

c) Any state of facts which an accurate survey may show, provided same does not render the title uninsurable.

d) Variations between record lines and fences and hedges.

e) Violations of any covenants and restrictions by existing improvements shall not be deemed an objection to title provided the title company insuring title agreed to insure

that such improvements may remain in their present location as long as same shall stand.

f) Sellers current mortgage existing on the premises being held by Wells Fargo which is presently a lien on the premises. Seller shall make current monthly payments from the monthly payments being paid by the Buyer herein. This mortgage will be satisfied and a satisfaction of mortgage will be recorded at the time the entire principal balance is paid for by the Buyer.

2. The purchase price for the premises is the sum of

\_\_\_\_\_ payable as follows:

a) Interest only commencing on the execution of this Contract on the outstanding balance of \_\_\_\_\_ and 00/00 (\$\_\_\_\_\_ ) Dollars. Payment shall commence on the \_\_\_\_ day of \_\_\_\_\_ 20\_\_ and shall be payable monthly thereafter on the \_\_\_\_ day of each month for \_\_\_\_\_ months when the remaining principal balance shall be due and payable with interest to the date of payment. Each monthly installment shall first be applied to the payment of interest due on the unpaid balance. Interest shall run at the rate of \_\_\_\_\_ percent (\_\_\_\_%) per annum and is fixed for the entire \_\_\_\_\_ month period. The balance of any payment shall be applied to the reduction of the principal amount. The principal balance shall be due and payable if the premises are vacated by the Purchaser or the Purchaser leases or sublets the part of the subject premises that they are residing in, or the premises are no longer the principal residence of the Purchasers.

b) The Seller will keep the buildings on the premises insured against loss by fire, including extended coverage and vandalism, at the sole cost and expense of the Buyer in an amount satisfactory to comply with any co-insurance clause in such insurance.

c) The Buyer shall have the right to prepay this indebtedness in whole or in part at any time without penalty with interest to the date of payment.

d) In addition to the monthly installments payment, the Buyer shall pay on the same day of each month as stated above, the sum equal to one twelfth (1/12) of the annual taxes, assessments and other governmental charges which are taxed, assessed or levied, and insurance covering the premises. The Buyer shall at the execution of this Contract deliver to the Seller in escrow a sum of money necessary for Seller to be able to pay all charges with the monthly payments being made herein, to pay the taxes, assessments, and insurance and other governmental charges, if any when due. Upon any increase in any charges due herein, Seller shall notify Buyer of said increase and the monthly payment shall be modified accordingly including any arrears, if any..

e) The above monthly installment payments are to be made by the Buyer to the Seller until \_\_\_\_\_ 20\_\_ when all principal due and owing with interest to the date of payment shall be due and payable. At such time, the Seller shall be required to deliver a Bargain and Sale Deed with Covenants against Grantors Acts, in proper statutory form for recording, executed and acknowledged by the Seller, at the Buyer's expense, bearing any necessary revenue stamps at Seller's expense, so as to convey the subject property from Seller to Buyer, free of all encumbrances, except as provided otherwise in this agreement. Such transfer shall convey title such as any reputable title company, which is a member of the New Jersey Board of Title Underwriters will be willing to approve and insure in accordance with their standard form of title policy at the time of execution of this Contract, subject to only the matters provided for in this agreement at the time of execution of this Contract. Seller shall only cure matters between Contract and Closing that Seller is responsible for under the terms herein and created by the Seller due to Sellers acts after the execution of this Contract. The Buyer shall be responsible for all other defects or clouds on title created after execution of this Contract.

f) The Purchaser shall maintain until full payment is made, a homeowners' tenants policy covering the contents on the Premises for the unit they are occupying including general liability in the maximum amount obtainable in the policy. A copy of said policy shall

be delivered to the Seller upon execution of this Contract and at least ten (10) days prior to any renewal.

The parties hereby agree that the Buyer shall have the option of requesting a deed as hereinbefore described, prior to the time stated hereinabove upon the full payment of the purchase price with interest to date of payment pursuant to all the terms of this agreement.

The delivery of the deed to the Buyer by the Seller shall hereinafter be called and referred to as the "Closing."

3. All items to be apportioned as of midnight the \_\_\_\_ day of \_\_\_\_\_ 20\_\_, including but not limited to taxes, water rates, rentals, Sewer rent, and insurance.

4. It is understood and agreed that the Buyer is in possession of the premises currently, and it is expressly agreed that the relation of Landlord and Tenant shall be in existence, with the Seller being the Landlord and the Buyer being the Tenant. The Buyer may remain in possession as long as he shall continue to comply with the provisions of this agreement. In that event, and upon a final order in summary proceedings, Seller shall be released and discharged from all claims or obligations hereunder.

Upon default in any of the payments when due or any of the terms of this Contract, the Seller is entitled to commence summary proceedings for the removal of the Buyer based on the non payment or other default. The Buyer shall have a grace period of ten (10) days from its due date to make each required payment in paragraph 2 above. For any other default herein, the Buyer shall have ten (10) days after receipt of notice of default to cure any other default, money or otherwise. A default herein shall entitle the Seller to possession of the premises. In the event of default, all payments previously made shall be considered rent for use and occupation of the Premises and the Seller shall be entitled to retain such funds and the Buyer shall not be entitled to any refund of payments made or monies being held in escrow.

5. The Buyer shall maintain the premises in good condition and repair at all times, shall permit no waste, and shall make all repairs to the premises, structural and non structural such as a prudent owner would make. The Seller owes absolutely no obligation to the

Buyer at all other than delivering of the deed upon full payment pursuant to the terms herein.

6. Any condemnation award shall be received by the Seller and held by the Seller for the account of the Buyer and the Buyer shall be entitled to receive same, and the Seller shall pay same to the Buyer, upon full payment of the principal balance due pursuant to the terms of this agreement.

7. All monies received by the Seller under any policy or policies of insurance, shall be used for repair of the damage to the premises. Any shortage of money that is needed to repair the damages and not received by insurance shall be paid by the Buyer.

8. The Buyer will pay all charges for water, sewer, electricity, heat, hot water, gas, oil, and all other services required by them during the term of this agreement. The Seller shall incur no expenses whatsoever for the maintenance or upkeep or living expenses within the premises. The water meter shall remain in the name of the Seller and Seller shall bill the Buyer upon receipt of the statement from the water company. The Buyer shall pay the bill to the Seller within ten (10) days of receipt. All other utilities shall be paid directly by the Buyer and Buyer shall place the electric and gas meters in their names.

9. The Buyer has inspected the premises and the buildings and improvements thereon, and are purchasing and entering into possession of same in their present condition and state of repairs and without any representations, statements, or warranties, expressed or implied, in respect thereto.

10. The Buyer shall use the premises exclusively for a private residence, and will not assign this agreement nor let or underlet the whole or any part of the premises in which the Purchaser is occupying, prior to the closing. Said premises are improved by a three family dwelling only. Provided the Purchaser is not in default under any terms of this Contract, Purchaser shall have the right to lease the remaining apartment(s) with the Sellers consent and receive the rents there-from. All tenants shall be required to carry a homeowners' tenants policy with the maximum general liability limits available in the policy. A copy of said policy shall be delivered to the Seller upon execution of a lease and ten (10) days prior to any

renewal.

11. This agreement shall also bind and apply to the distributees, heirs, next of kin, executors, administrators, legal representatives, successors and assigns of the parties.

12. This agreement expresses the complete understanding of the parties, neither having made any representations, expressed or implied, to the other, except as contained herein, and this agreement may not be changed nor its terms varied except by the written agreement signed by the parties hereto.

13. The Seller hereby agrees that this recorded Contract shall be a security agreement to secure the Buyer's obligations herein, and is to act as a mortgage against the Premises. This agreement shall be recorded in the Office of the County Clerk where the Premises is located as both a contract and mortgage, at the expense of the Buyer.

14. The Seller shall not encumber, mortgage or otherwise cause any liens to be placed upon the subject premises. If any such liens are placed thereon, during the term of this agreement and prior to the closing, then the Seller must cure same within thirty (30) days after being notified of same. If the Seller refuses or fails to remove said liens or encumbrances after being notified of same, and the Buyer is compelled to or elected to remove same by the payment of money or otherwise or if the Buyer is compelled to incur any expenses, including reasonable attorney fees, in instituting and prosecuting and/or defending any actions or proceedings instituted by reason of any default of the Seller, the Seller hereby agrees to pay any and all expenses, including reimbursement for monies paid, reasonable attorney fees, and court costs, if any.

15. 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 and clear of them at closing and this provision shall survive the closing. Seller shall furnish Buyer with any authorizations necessary to make the searches that could disclose these matters.

16. If a title examination discloses judgments, bankruptcies, or other returns against persons having names the same as or similar to that of Seller, Seller shall deliver satisfactory detailed affidavit at time of execution of this Contract showing that they are not against Seller.

17. At Closing, certified or official bank checks 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 or mortgage, if any, shall be delivered by the party required by law or by this contract to pay such transfer and/or recording tax, together with any required tax returns duly executed and sworn to, and such party shall cause any such checks and returns to be delivered to the appropriate officer promptly after Closing. The obligation to pay any additional tax or deficiency and any interest or penalties thereon shall survive Closing.

18. The existence of any lien or encumbrance shall not constitute an objection to title if at the time of closing the Seller tenders proper instruments suitable for the discharge of record of such lien or encumbrance, plus the filing or recording fees.

19. It is understood and agreed that nothing herein contained in this agreement shall require the Seller to bring any action or proceeding; or incur any expense to remove any defect, lien, encumbrance, and/or to take such other actions as to render title marketable and/or insurable. However, in the event that the Seller shall be unable to convey title to the premises herein described, subject only to the encumbrances, terms and conditions specifically set forth herein, then and in such event, it is agreed that the Buyer, at his option, shall take such title as the Seller can convey, without abatement or reduction of the purchase price, or the Buyer may refuse to take title, and in that event, the only liability of the Seller shall be to return the amount paid under this agreement on account of the purchase price, together with the actual net cost of the examination of title and survey charges, if any, and upon payment of said sums, the

Seller be released from any and all liability under this agreement and this agreement shall become null and void and of no further effect.

20. Buyer agrees to deliver fifteen days (15) days prior to execution of this Contract to the attorney for the Seller herein, a list of any objections or violations which may appear on any title examination that the Buyer may obtain. The Seller shall have a reasonable period of time, if necessary, to clear any objections or violations before this agreement is to be executed.

21. The acceptance of the deed by the Buyer shall be deemed full compliance by the Seller of all the terms of this agreement on the part of the Seller to be performed. None of the provisions of this agreement shall survive delivery of the deed except as shall be specifically provided in writing to survive the closing.

22. The Buyer represents and warrants that no broker brought about this transaction; that the Buyer had no negotiations with any broker in connection with this sale. The Buyer agrees to indemnify and hold Seller harmless of any claim of any broker rising out of the Buyer's acts including any attorney fees incurred by the Seller. Buyer makes this representation as an inducement to Seller, intending that the Seller shall rely thereon. It is understood and agreed that the provisions of this paragraph shall survive the delivery of the deed.

23. Seller will deliver to Buyer on or before closing, a Certificate of Occupancy for the subject three family dwelling, and certificate of completion or equivalent for exterior additions, if any or in lieu thereof, a letter from the municipality stating that the premises were constructed prior to the date when such certificates were issued. In no event, however, shall the Seller be required to bring variance or zoning proceedings, or to expend more money than is required for the administrative fees relating to the issuance of building permits, fire underwriters certificates, certificates of occupancy or certificates of completion.

In the event the Seller cannot obtain the foregoing without bringing such

proceedings, the Seller has the right to decline this expense by canceling this agreement with return of the down payment to the Buyer.

To assist the Seller in obtaining the COs or CC (where same are not presently available) the Buyer authorizes the Seller to order a new survey prepared by a licensed land surveyor as may be required by the municipal building departments, with reimbursement for the cost thereof being made by Buyer to Seller within two (2) weeks of production of the missing certificate of occupancies or completion.

24. The waiver by either party to any provision to this agreement shall not bar its right to avail itself of any subsequent breach of such covenant.

25. If the Seller is required to commence legal action against the Buyer for the payment or collection of any monies due hereunder or for summary proceedings to evict the Buyer due to nonpayment or other breach of this agreement, in addition to any damages due under this agreement, the Seller shall be entitled to collect, reasonable attorney fees, which the parties hereby agree shall be in the minimal amount of \$\_\_\_\_\_.00.

26. Should any part, term, or provision of this Agreement or any document required in it to be executed be declared, invalid, void or unenforceable, all remaining parts, terms and provisions hereof shall remain in full force and effect and in no way be invalidated, impaired or affected thereby.

27. The language of all parts of the provisions of this Agreement shall in all cases be construed as a whole, extending to its fair meaning and not strictly for or against any of the parties. If any dispute shall arise concerning the interpretation of any provision hereof, neither party shall be deemed the drafter hereof, nor shall any such language be presumptively construed in favor or against either party.

28. Any notice given in connection with this Agreement shall be given in writing and shall be delivered either by hand or by deposit in the United States mail, certified or registered, postage prepaid, return receipt requested, to the Party at the Party's address stated

below.

29. The parties herein hereby represent that they have the authority to execute this Agreement on behalf of their respective Parties.

30. Any notices required or permitted to be given under this Agreement shall be sufficient if in writing, and if delivered personally or sent by registered mail or certified mail, return receipt requested, to the address of the party set forth above or subsequently as changed in writing. Such notices shall be deemed to have been given at the time when personally delivered, or five (5) business days following when mailed by the party giving such notice.

31. This Agreement describes the entire agreement between the parties. It supersedes and replaces any prior agreements or representations, whether oral or written. You agree that there are no collateral contracts or agreements between you and the Seller, and that the Seller has not made any representations to you except as specifically set forth in this agreement.

32. This Contract has not been examined by my client(s) and should not be construed as binding upon my client(s) or an offer by my client(s) until fully executed copies have been returned to you.

33. The Buyer shall not make any modifications to the subject Premises, structural or non structural without the Seller's consent in writing prior to the closing of title.

34. This Agreement shall be governed by and construed in accordance with the laws of the State of New York.

35. The failure by either party to insist upon strict performance of any of the provisions contained herein shall in no way constitute a waiver of any of its rights as set forth herein, at law or equity, including a waiver by either Party of any other provision or

subsequent default by the other provision or subsequent default by the other in the performance of or compliance with any of the terms and conditions set forth herein.

IN WITNESS WHEREOF, the parties hereto have set their hands and seal the day and year first above written.

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