

# Contract of Sale

*Amended 1975*

**NOTE: FIRE LOSSES.** This form of contract contains no express provisions as to risk of loss by fire or other casualty before delivery of the deed. Unless express provision is made, the provisions of Section 5-1311 of the General Obligations Law will apply. This section also placed risk of loss upon purchaser if title or possession is transferred prior to closing.

**THIS AGREEMENT**, made the \_\_\_\_\_ day of \_\_\_\_\_, in the year \_\_\_\_\_  
BETWEEN

hereinafter described as the seller, and

hereinafter described as the purchaser,

**WITNESSETH**, that the seller agrees to sell and covey, and the purchaser agrees to purchase,

**ALL** that certain plot, piece or parcel of land, with the buildings and improvements thereon erected, situate, lying and being in the

1. This sale includes all right, title and interest, if any, of the seller in and to any land lying in the bed of any street, road or avenue opened or proposed, in front of or adjoining said premises, to the center line thereof, and all right, title and interest of the seller in and to any award made or to be made in lieu thereof and in and to any unpaid award for damage to said premises by reason of change of grade of any street; and the seller will execute and deliver to the purchaser, on closing of title, or thereafter, on demand, all proper instruments for the conveyance of such title and the assignment and collection of any such reward.

2. The price is \_\_\_\_\_ Dollars,  
payable as follows:

\_\_\_\_\_ Dollars,  
on the signing of this contract, by check subject to collection, the receipt of which is hereby acknowledged:

\_\_\_\_\_ Dollars,  
in cash or good certified check to the order of the seller on the delivery of the deed as hereinafter provided:

\_\_\_\_\_ Dollars,  
by taking title subject to a \_\_\_\_\_ mortgage now a lien on said premises in that amount, bearing interest  
at the rate of \_\_\_\_\_ per cent per annum, the principal being due and payable \_\_\_\_\_ Dollars,

by the purchaser or assigns executing, acknowledging and delivering to the seller a bond or, at the option of the seller, a note secured by a purchase money \_\_\_\_\_ mortgage on the above premises, in that amount, payable

\_\_\_\_\_ together with interest at the rate of \_\_\_\_\_ per cent per annum  
payable

3. Any bond or note and mortgage to be given hereunder shall be drawn on the standard forms of New York Board of Title Underwriters for mortgages of like lien; and shall be drawn by the attorney for the seller at the expense of the purchaser, who shall also pay the mortgage recording tax and recording fees.

4. If such purchase money mortgage is to be a subordinate mortgage on the premises it shall provide that it shall be subject and subordinate to the lien of the existing mortgage of \$ any extensions thereof and to any mortgage or consolidated mortgage which may be placed on the premises in lieu thereof, and to any extensions thereof provided (a) that the interest rate thereof shall not be greater than per cent per annum and (b) that, if the principal amount thereof shall exceed the amount of principal owing and unpaid on said existing mortgage at the time of placing such new mortgage or consolidated mortgage, the excess be paid to the holder of such purchase money mortgage in reduction of the principal thereof. Such purchase money mortgage shall also provide that such payment to the holder thereof shall not alter or affect the regular installments, if any, of principal payable thereunder and shall further provide that the holder thereof will, on demand and without charge therefor, execute, acknowledge and deliver any agreement or agreements further to effectuate such subordination.

5. If there be a mortgage on the premises the seller agrees to deliver to the purchaser at the time of delivery of the deed a proper certificate executed and acknowledged by the holder of such mortgage and in form for recording, certifying as to the amount of the unpaid principal and interest thereon, date of maturity thereof and rate of interest thereon, and the seller shall pay the fees for recording such certificate. Should the mortgagee be a bank or other institution as defined in Section 274-a, Real Property Law, the mortgagee may, in lieu of the said certificate, furnish a letter signed by a duly authorized officer, or employee, or agent, containing the information required to be set forth in said certificate. Seller represents that such mortgage will not be in default at or as a result of the delivery of the deed hereunder and that neither said mortgage, nor any modification thereof contains any provision to accelerate payment, or to change any of the other terms or provisions thereof by reason of the delivery of the deed hereunder.

6. Said premises are sold and are to be conveyed subject to:

- a. Zoning regulations and ordinances of the city, town or village in which the premises lie which are not violated by existing structures.
- b. Consents by the seller or any former owner of premises for the erection of any structure or structures on, under or above any street or streets on which said premises may abut.
- c. Encroachments of stoops, areas, cellar steps, trim and cornices, if any, upon any street or highway.

7. All notes or notices of violations of law or municipal ordinances orders or requirements noted in or issued by the Departments of Housing and Buildings, Fire, Labor, Health, or other State or Municipal Department having jurisdiction, against or affecting the premises at the date hereof, shall be complied with by the seller and the premises shall be conveyed free of the same, and this provision of this contract shall survive delivery of the deed hereunder. The seller shall furnish the purchaser with an authorization to make the necessary searches therefor.

8. All obligations affecting the premises incurred under the Emergency Repairs provisions of the Administrative Code of the City of New York (Sections 564-18.0, etc.) prior to the delivery of the deed shall be paid and discharged by the seller upon the delivery of the deed. This provision shall survive the delivery of the deed.

9. If, at the time of the delivery of the deed, the premises or any part thereof shall be or shall have been affected by an assessment or assessments which are or may become payable in annual installments, of which the first installment is then a charge or lien, or has been paid, then for the purposes of this contract all the unpaid installments of any such assessment, including those which are to become due and payable after the delivery of the deed, shall be deemed to be due and payable and to be liens upon the premises affected thereby and shall be paid and discharged by the seller, upon the delivery of the deed.

10. The following are to be apportioned: (a) Rents as and when collected. (b) Interest on mortgages. (c) Premiums on existing transferable insurance policies or renewals of those expiring prior to the closing. (d) Taxes and sewer rents, if any, on the basis of the fiscal year for which assessed (e) Water charges on the basis of the calendar year. (f) Fuel, if any.

11. If the closing of the title shall occur before the tax rate is fixed, the apportionment of taxes shall be upon the basis of the tax rate for the next preceding year applied to the latest assessed valuation.

12. If there be a water meter on the premises, the seller shall furnish a reading to a date not more than thirty days prior to the time herein set for closing title, and the unfixed meter charge and the unfixed sewer rent, if any, based thereon for the intervening time shall be apportioned on the basis of such last reading.

13. The deed shall be the usual deed in proper statutory short form for record and shall be duly executed and acknowledged so as to convey to the purchaser the fee simple of the said premises, free of all encumbrances, except as herein stated, and shall contain the covenant required by subdivision 5 of Section 13 of the Lien Law.

If the seller is a corporation, it will deliver to the purchaser at the time of the delivery of the deed hereunder a resolution of its Board of Directors authorizing the sale and delivery of the deed, and a certificate by the Secretary or Assistant Secretary of the corporation certifying such resolution and setting forth facts showing the conveyance 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 said section.

14. At the closing of the title the seller shall deliver to the purchaser a certified check to the order of the recording officer of the county in which the deed is to be recorded for the amount of the documentary stamps to be affixed thereto in accordance with Article 31 of the Tax Law and a certified check to the order of the appropriate county officer for any other tax payable by reason of the delivery of the deed, and a return, if any be required, duly signed and sworn to be the seller; and the purchaser also agrees to sign and swear to the return and to cause the check and the return to be delivered to the appropriate county officer promptly after the closing of title.

*Omit clause 8 if the property is not located in the City of New York.*

*Clause 9 is usually omitted if the property is not in the City of New York.*

Omit clause 15 if the property is not located in the City of New York.

15. In addition, the seller shall at the same time deliver to the purchaser a certified check to the order of the Finance Administrator for the amount of the Real Property Transfer Tax imposed by Title II of Chapter 46 of the Administrative Code of the City of New York and will also deliver to the purchaser the return required by the said statute and the regulations issued pursuant to the authority thereof, duly signed and sworn to by the seller; the purchaser agrees to sign and swear to the return and to cause the check and the return to be delivered to the City Register promptly after the closing of the title.

16. The seller shall give and the purchaser shall accept a title such as a Member of the Title Insurance Rate Service Association, Inc., will be willing to approve and insure.

17. All sums paid on account of this contract, and the reasonable expenses of the examination of the title to said premises and of the survey, if any, made in connection therewith are hereby made liens on said premises, but such liens shall not continue after default by the purchaser under this contract.

18. All fixtures and articles of personal property attached or appurtenant to or used in connection with said premises are represented to be owned by the seller, free from all liens and encumbrances except as herein stated, and are included in this sale; without limiting the generality of the foregoing, such fixtures and articles of personal property including plumbing, heating, lighting and cooking fixtures, air conditioning fixtures and units, ranges, refrigerators, radio and television aerials, 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 and outdoor statuary.

19. The amount of any unpaid taxes, assessments, water charges and sewer rents which the seller is obligated to pay and discharge, with the interest and penalties thereon to a date not less than two business days after the date of closing title, may at the option of the seller be allowed to the purchaser out of the balance of the purchase price, provided official bills therefor with interest and penalties thereon figured to said date are furnished by the seller at the closing.

20. If at the date of closing there may be any other liens or encumbrances which the seller is obligated to pay and discharge, the seller may use any portion of the balance of the purchase price to satisfy the same, provided the seller shall simultaneously either deliver to the purchaser at the closing of title instruments in recordable form and sufficient to satisfy such liens and encumbrances of record together with the cost of recording or filing said instruments; or, provided that the seller has made arrangements with the title company employed by the purchaser in advance of closing, seller will deposit with said company sufficient monies, acceptable to and required by it to insure obtaining and the recording of such satisfactions and the issuance of title insurance to the purchaser either free of any such liens and encumbrances, or with insurance against enforcement of same out of the insured premises. The purchaser, if request is made within a reasonable time prior to the date of closing of title, agrees to provide at the closing separate certified checks as requested, aggregating the amount of the balance of the purchase price, to facilitate the satisfaction of any such liens or encumbrances. The existence of any such taxes or other liens and encumbrances shall not be deemed objections to title if the seller shall comply with the foregoing requirements.

21. If a search of the title discloses judgments, bankruptcies or other returns against other persons having names the same as or similar to that of the seller, the seller will on request deliver to the purchaser an affidavit showing that such judgments, bankruptcies or other returns are not against the seller.

22. In the event that the seller is unable to convey title in accordance with the terms of this contract, the sole liability of the seller will be to refund to the purchaser the amount paid on account of the purchase price and to pay the net cost of examining the title, which cost is not to exceed the charges fixed by the New York Board of Title Underwriters, and the net cost of any survey made in connection therewith incurred by the purchaser, and upon such refund any payment being made this contract shall be considered canceled.

23. The deed shall be delivered upon the receipt of said payments at the office of \_\_\_\_\_ at \_\_\_\_\_ o'clock on \_\_\_\_\_, in the year \_\_\_\_\_.

24. The parties agree that \_\_\_\_\_ is the broker who brought about this sale and the seller agrees to pay any commission earned thereby.

25. It is understood and agreed that all understandings and agreements heretofore had between the parties hereto are merged in this contract, which alone fully and completely expresses their agreement, and that the same is entered into after full investigation, neither party relying upon any statement or representation, not embodied in this contract, made by the other. The purchaser has inspected the buildings standing on said premises and is thoroughly acquainted with their condition and agrees to take title "as is" and in their present condition and subject to reasonable use, wear, tear, and natural deterioration between the date thereof and the closing of title.

26. This agreement may not be changed or terminated orally. The stipulations aforesaid are to apply to and bind the heirs, executors, administrators, successors and assigns of the respective parties.

27. If two or more persons constitute either the seller or the purchaser, the word "seller" or the word "purchaser" shall be construed as if it read "sellers" or purchasers" whenever the sense of this agreement so requires.

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

In presence of:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_