

## CONTRACT FOR SALE OF REAL ESTATE

This contract for Sale is made this 14th day of December, 2010, between Hidden Glen Developers, LLC, a New Jersey limited liability company, whose address is 6 Smoke Rise Road, Kinnelon, New Jersey 07405, referred to as the SELLER, and \_\_\_\_\_, whose address is \_\_\_\_\_, referred to as BUYER.

The words "BUYER" and "SELLER" include all Buyers and Sellers listed above.

1. Purchase Agreement. The Seller desires to sell and the Buyer desires to purchase, subject to and in accordance with the terms and conditions set forth below, the Property. Buyer has executed this Agreement of Sale subject to acceptance by the Seller of its auction bid and acknowledges that this Agreement is contingent upon approval of the Buyer's bid by the Seller.
  
2. Property. The property to be sold consists of: (a) the land and all the buildings, other improvements and fixtures on the land; (b) all the Seller's rights relating to the land; and (c) all personal property to be specifically included in this contract. The real property to be sold is commonly known as 4 Berkshire Drive in the Township of Wayne, County of Passaic, State of New Jersey. It is shown on the tax map as Lots \_\_\_\_\_, Block \_\_\_\_\_. This property is more fully described in the attached Schedule A. The applicable restrictions on the property are set forth as follows:
  - a. The Property is sold in an "AS IS" condition; exclusive of any representations, express or implied.
  
3. Purchase Price. The purchase price for the Property including a Six percent (6%) Buyers Premium is \$\_\_\_\_\_.
  
4. Payment of Purchase Price. The purchase price for the Property is \$\_\_\_\_\_ payable in the following matter:
  - a. Initial Security deposit: \$ 50,000.00
  
  - b. Additional deposit upon conclusion of auction, to create total maximum deposit of 10% of bid: \$ \_\_\_\_\_
  
  - c. Balance due at closing: \$ \_\_\_\_\_

The registration deposit due to be paid by the Buyer to the Seller shall be made in cash, bank cashier's check or bank treasurer's check, such checks being accepted subject to collection. Additional deposit monies may be paid by personal check. The balance due at closing shall be paid by bank cashier's check or treasurer's check. All checks shall be made payable to Mandelbaum Salsburg Attorney Trust Account in the case of deposit checks.

5. Deposit Moneys. All deposit moneys will be held in trust by Mandelbaum Salsburg, counsel to the Sellers, 155 Prospect Avenue, West Orange, New Jersey, until closing and deposited in a non-interest bearing escrow account. Thereafter, the deposit shall continue to be held in escrow until the earlier of (1) the date of closing; or (2) such time as this Agreement is canceled or terminated. The balance of the purchase price shall be payable at closing.
6. Closing.
  - a. Closing shall occur on or before January 14th, 2011. The notification (the "Closing Notification") shall be in writing, mailed to the Buyer's address set forth above and shall designate the date, time and place of closing. The closing will be held at the offices of Mandelbaum Salsburg, 155 Prospect Avenue, West Orange, New Jersey.
  - b. At closing, possession of the Property shall be given to the Buyer. Seller shall deliver to Buyer a Deed and appropriate Affidavit of Title. The type of Deed to be delivered to the Buyer shall be a Bargain and Sale Deed with Covenants Against Grantor's Acts.
  - c. This Agreement is not subject to the Buyer's ability to obtain financing.
7. Closing Costs. The Buyer shall pay all closing costs which include, but not be limited to the following:
  - a. Premium for Owner's and Lender's Title Policy, if title insurance is purchased.
  - b. Costs of recordation of the Deed.
  - c. Buyer's attorney's fees, survey fees and costs. Seller shall provide a survey of the Property, certified to Buyer and its title company, for a cost of \$850.00, to be paid to Seller at the Closing.
  - d. Buyer's portion of the Realty Transfer Fee.
8. Transfer of Ownership. At the closing, the Seller will transfer ownership of the property to the Buyer. The Seller will give the Buyer a properly executed deed and an adequate affidavit of title. Title to be delivered by Seller to Buyer shall be insurable by a title company authorized to do business in the State of New Jersey at standard rates, subject to the following:
  - a. Conditions, reservations, limitations, covenants, restrictions, easements and agreements of record.
  - b. Subject to such facts as an accurate survey may disclose.
  - c. Subject to all municipal zoning regulations.
  - d. Subject to the terms and conditions set forth herein.

9. Type of Deed. A deed is a written document used to transfer ownership of the property. In this sale, the Seller agrees to provide and the Buyer agrees to accept a deed known as bargain and sale with covenants against grantors' acts.
10. Personal Property and Fixtures. Many items of property become so attached to a building or other real property that they become a part of it. These items are called fixtures. They include such items as fireplaces, patios, and built in shelving. All fixtures are INCLUDED in this sale.
11. Physical and Environmental Condition of the Property. This property is being sold "as is", without any representations, warranties or guarantees expressed or implied as to the physical or environmental condition of the Property or as to the condition, quality and/or usability of the heating, plumbing, electrical system, roof, or any structural members of the Property, or any fixtures or equipment located in or on said Property. The Seller does not make any claims or promises about the physical or environmental condition or value of any of the property included in this sale. The Buyer has had the opportunity to inspect the Property and relies on this inspection and any rights that may be provided for elsewhere in this contract.

Buyer shall assume all risks that the Property may contain waste materials (whether toxic, hazardous, extremely hazardous or otherwise) or other adverse physical conditions, including, but not limited to, the presence of underground oil or gas storage tanks which may not have been revealed by Buyer's investigation. On and after the Closing of Title all responsibility and liability related to all conditions of that kind, whether known or unknown, fixed or contingent, will be transferred from Seller to Buyer.

WITHOUT LIMITING THE ABOVE, BUYER WAIVES ITS RIGHT TO RECOVER FROM SELLER AND FOREVER RELEASES AND DISCHARGES SELLER AND AGREES TO DEFEND, INDEMNIFY AND HOLD SELLER HARMLESS FROM ANY AND ALL DAMAGES, CLAIMS, LOSSES, LIABILITIES, PENALTIES, FINES, LIENS, JUDGMENTS, COSTS AND EXPENSES WHATSOEVER (INCLUDING, WITHOUT LIMITATION, REASONABLE ATTORNEYS' FEES AND COSTS), WHETHER DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THAT MAY ARISE OR MAY HAVE ARISEN PRIOR TO, FROM OR AFTER THE CLOSING OF TITLE ON ACCOUNT OF OR IN ANY WAY CONNECTED WITH THE ENVIRONMENTAL OR OTHER PHYSICAL CONDITION OF THE PROPERTY OR ANY VIOLATION BY SELLER, BUYER OR ANY OTHER PARTY OF ANY APPLICABLE LEASE, CONTRACT OR OTHER INSTRUMENT OR OF ANY APPLICABLE EXISTING OR FUTURE LAW, REGULATION, ORDER OR OTHER DIRECTIVE OF ANY GOVERNMENTAL OR JUDICIAL ENTITY, HAVING JURISDICTION APPLICABLE THERETO, INCLUDING WITHOUT LIMITATION, THE COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY ACT OF 1980, AS AMENDED (42 U.S.C.A. §§9601 ET SEQ.), THE RESOURCE CONSERVATION AND RECOVERY ACT OF 1976 (42 U.S.C.A. §§6901 ET SEQ.), THE CLEAN WATER ACT (33 U.S.C.A. §§466 ET SEQ.), THE SAFE DRINKING WATER ACT (14 U.S.C.A. §§1401 to 1450), THE HAZARDOUS MATERIALS TRANSPORTATION ACT (49 U.S.C.A. §§1801 ET SEQ.), THE TOXIC SUBSTANCE CONTROL ACT (15 U.S.C.A. §§2601 to 2629), THE CLEAN AIR ACT (42 U.S.C.A. §§7401 ET SEQ.) AS AMENDED, THE CLEAN AIR ACT

AMENDMENTS OF 1990 AND ALL STATE AND LOCAL LAWS, AND ANY REPLACEMENT OR SUCCESSOR LEGISLATION OR REGULATION THERETO.

This provision of the Contract shall survive the Closing of Title.”

12. No Representations. Buyer acknowledges that Buyer has been given the opportunity to and has adequately inspected the premises or has waived the opportunity to make such an inspection. Buyer further acknowledges that Buyer has entered into this agreement as a result of the inspection made by Buyer and not as a result of any advertisement, handbill or any other representation, either oral or written, made by Seller, Coldwell Banker, Residential Brokerage or any Selling Agent.

This Agreement of Sale is the entire Agreement between the Seller and the Buyer as to the property and there are no collateral understandings, representations, or agreements on any subject that are not contained in this Agreement. No employee or agent of the Seller has the authority to modify the terms of this Agreement, or has any authority to make any promises or Agreement not specifically set forth in writing in this Agreement. The Buyer acknowledges that other than as expressly stated in this Agreement, no representations or promises, whether written, oral, or implied, have been made by the Seller, or its agents or employees, in order to induce Buyer to enter into this Agreement.

13. Building and Zoning Laws. The Buyer intends to use the property as a single family home. The Seller states that this use does not violate any applicable zoning ordinance, building code or other law. The Seller will obtain and pay for all inspections required by law, if any. This includes any municipal “certificate of occupancy”.
14. Property Lines. The Seller states that all buildings, driveways and other improvements on the property are within its boundary lines. Also, no improvements on adjoining properties extend across the boundary lines of this property.
15. Ownership. The Seller agrees to transfer and the Buyer agrees to accept the ownership of the property free of all claims and rights of others, except for:
- a. The rights of utility companies to maintain pipes, poles, cables, and wires over, on and under the street, the part of the property next to the street or running to any house or other improvement on the property;
  - b. All items included in Schedule A as part of the description of the property and the easement set forth in Schedule B.

In addition to the above, the ownership of the Buyer must be insurable at regular rates by any title insurance company authorized to do business in New Jersey subject only to the above exceptions.

16. Correcting Defects. If the property does not comply with paragraph 13 of this contract, the Seller will be notified and given 30 days to make it comply. If the property still does not comply after that date, the Buyer may cancel this contract or give the Seller more time to comply.

17. Risk of Loss. The Seller is responsible for any damage to the property until closing. In the event that the property suffers damage by casualty prior to closing, Seller shall have the option to repair all such damage, or to terminate and rescind this Agreement, whereupon all deposit monies paid by the Buyer shall be returned to the Buyer and thereafter the parties shall have no rights or obligations to one another. In the event that the Seller elects to terminate this Agreement, Seller shall notify Buyer within 30 days from the date of the casualty loss. In the event that the Seller elects to repair the damage, Seller shall have the right to postpone the closing hereunder for an additional period of 120 days from the date set forth in the notice of closing.
18. Rights Reserved to Seller. Seller has reserved the right to reject all bids. SHOULD BUYER'S BID BE REJECTED BY SELLER, BUYER'S DEPOSIT SHALL BE RETURNED AND BUYER AND SELLER SHALL HAVE NO FURTHER RIGHTS OR OBLIGATIONS WITH RESPECT TO ONE ANOTHER.
19. Assignment and Recordation. Buyer may not assign this Agreement, in whole or in part, or record or lodge same for public record. Any attempt to assign, record or lodge this Agreement for public record shall constitute a default hereunder.
20. Default of Seller. If, at the time of closing, Seller is unable to deliver to Buyer title as described in Article 8 above, Buyer's sole options and remedies shall be as follows. Buyer may elect either:
  - a. To complete closing without abatement of the purchase price and without any other remedy or right against the Seller, or
  - b. To terminate this Agreement. If the Buyer elects to terminate this Agreement, all deposit monies previously paid by the Buyer shall be returned to him. Thereafter, this Agreement shall be null and void and neither party shall have any further rights or obligations against the other.
21. Default of Buyer. In the event that the Buyer fails to comply with any of his obligations or covenants under this Agreement, the Buyer shall be in default and the Seller may, at its option:
  - a. Cancel the contract and retain as liquidated damages all deposit monies up to a maximum of 10 percent of the purchase price, it being acknowledged by the Seller and the Buyer that the Seller has invested considerable time with respect to marketing the Property, the value of which cannot be reasonably calculated and that the sum of 10 percent of the purchase price is a good faith approximation of said expenses and damages, or
  - b. Retain all deposit monies previously paid by the Buyer (up to a maximum of 10 percent of the purchase price) and pursue any remedies available to Seller, at law or in equity, including without limitation, specific performance of this Agreement.

If the Seller elects to retain the deposit monies as liquidated damages as provided in subparagraph (a) above, then this Agreement shall become null and void and the

Buyer and Seller shall have no further rights or obligations with respect to one another.

22. Cancellation of Agreement. If this Agreement is legally and rightfully cancelled, the Buyer can get back the deposit and the parties will be free of liability to each other.
23. Adjustments at Closing. The Buyer and Seller agrees to adjust the following expenses as of the closing date: utility charges and taxes. The Buyer or the Seller may require that any person with a claim or right affecting the property be paid off from the proceeds of this sale.
24. Possession. At the closing, the Buyer will be given possession of the property. No tenant will have any right to the property unless otherwise agreed in this contract.
25. Miscellaneous.
  - a. Any amendment to this Agreement must be in writing and must be signed by both the Buyer and the Seller.
  - b. This Agreement shall be governed by the laws of the State of New Jersey.
  - c. This Agreement may be executed in one or more counterparts, each of which when signed shall be considered an original.
26. Complete Agreement. This Agreement including all riders and attachments and is the entire and only agreement between the Buyer and the Seller. This Agreement replaces and cancels any previous agreements between the Buyer and the Seller. This Agreement can only be changed by an agreement in writing signed by both the Buyer and the Seller. The Seller states that the Seller has not made any other agreement to sell the property to anyone else.
27. Parties Liable. This Agreement is binding upon all parties who sign it and all who succeed to their rights and responsibilities.
28. Notices. All notices under this Agreement must be in writing. The notices must be delivered personally or mailed by certified mail, return receipt requested, to the other party at the address written in this Agreement, or to that party's attorney.
29. Advertising of Auction. Buyer agrees that the Buyer is relying upon the description contained in or referred to in this Agreement only and not upon any other description or representation or contained in any other circular or other advertisement of this Sale.
30. Broker. Buyer shall pay Coldwell Banker, Residential Brokerage, Auction Division a commission of six percent (6%) – identified as the “Buyer’s Premium” in Section 3 hereof – at the time of Closing. . The Buyer warrants that Buyer has not dealt with any real estate agent or salesperson other than Coldwell Banker,

Residential Brokerage, Auction Division and agrees to indemnify Seller against claims of any other party for a real estate commission arising out of dealing with said party. The obligation of this paragraph shall survive settlement.

- 31. Schedules. Schedule A is attached to this Agreement and incorporated therein. Buyer read Bid Specifications for the Property which are attached to this Agreement and incorporated herein.
- 32. Jury Trial Waiver. Seller and Buyer waive trial by jury in any action or proceeding arising out of or related to this Agreement.

SIGNED AND AGREED TO BY:

Witnessed or Attested by:

Date Signed:

\_\_\_\_\_  
BUYER

\_\_\_\_\_  
As to Buyer(s)

\_\_\_\_\_  
BUYER

Witnessed or Attested by:

HIDDEN GLEN DEVELOPERS, LLC

\_\_\_\_\_  
As to Seller

By: \_\_\_\_\_  
Michael Feinberg, Managing Member