

ADDITIONAL CONTRACT PROVISIONS

Below are approved standard paragraphs to be used depending upon circumstances of each case. It is expressly understood that only the numbered paragraphs, which are checked and initialed by all parties, shall be a part of this contract.

This Addendum is part of the Contract for Sale dated _____ 20 _____ between _____ and _____ as Sellers and _____ and _____ as Buyers for the property known as _____.

1. **PRIVATE WASTE DISPOSAL ADDENDUM:** This contract is contingent upon receipt of a satisfactory private waste disposal test from a "qualified" testing laboratory, agency or individual. The test shall be ordered, and paid for, by the Buyer and the results shall be furnished to the Seller or Seller's Agent no later than _____ calendar days prior to settlement. If the test reveals any deficiencies in the system, then the Seller shall be obligated to make the necessary corrections at the Seller's expense. If the cost of making the corrections exceeds \$ _____ dollars, then the Seller shall have the option of declaring this Contract null and void within (7) calendar days of receiving written notice of deficiencies and all deposit monies paid by Buyer toward the purchase price shall be refunded to the Buyer. The Buyer may agree to accept the premises without the corrections, in which case the Seller shall allow a credit of up to \$ _____ against the purchase price at time of settlement.

2. **PRIVATE WELL TESTING ADDENDUM:** PRIVATE WELL TESTING: (This section is applicable if the property's potable water supply is provided by a private well located on the property (or the potable water supply is a well that has less than 15 service connections or does not regularly serve an average of at least 25 individuals daily at least 60 days a year).

Pursuant to the Private Well Testing Act (N.J.S.A. 58:12A-26 to 37) and regulations (N.J.A.C. 7:9E 3.1 to 5.1), if this Contract is for the sale of real property whose potable water supply is provided from a private well and the analytical results of prior water tests no longer are valid, a test on the water supply must be performed by a laboratory certified by NJDEP. Seller agrees to procure the test at Seller's sole cost and expense and to provide a copy of the test results to Buyer within seven (7) calendar days after receiving the report(s). Seller shall order the new test or, if applicable, provide Buyer with the valid test results prior water test within seven (7) calendar days after the end of the Attorney Review Period set forth in Section 1 of this Agreement. The test shall cover the parameters set forth in the Act and regulations. As required in the Act, prior to closing of title, Seller and Buyer each shall certify in writing that they have received and read a copy of the water test results.

If any of the water tests do not meet applicable standards at the time Seller provides the water test results to the Buyer, Seller shall notify Buyer, in writing, that Seller agrees to cure or correct said conditions in the water test results. If Seller shall fail to notify Buyer of Seller's agreement to cure or correct, such failure to so notify shall be deemed to be a refusal by Seller to cure or correct. If Seller shall fail to agree to cure or correct any of the conditions set forth in the water test results within seven (7) calendar days or if the condition is incurable or is of such significance as to unreasonably endanger the health of the Buyer, the Buyer shall then have the right to void this Contract by notifying the Seller in writing within seven (7) calendar days thereafter. If Buyer shall fail to void this Contract within the seven (7) day period, the Buyer shall have waived his right to cancel this Contract and this Contract shall remain in full force, and the Seller shall be under no obligation to correct or cure any of the conditions set forth in the water test results. If Seller shall agree to correct or cure such conditions, all such remediation shall be completed by Seller prior to the closing of title.

Point-of-Entry Treatment (POET) Systems. Pursuant to N.J.A.C. 7:1J-2.5 (c), the seller of a property with a POET system that was installed and maintained at the expense of the Spill Fund must notify the Department of Environmental Protection within 30 days of executing a binding contract that the property is to be sold.

3. **UNDERGROUND FUEL TANK ADDENDUM:**

- (a) Buyer has the right, at Buyer's expense, to have the tank tested by a qualified inspector for leakage and/or the soil tested for contamination. The test(s) shall be conducted, and a report delivered to Seller, within ten (10) business days from the end of Attorney Review.
- (b) If there is a contamination seller will hire a licensed contractor to remediate the contamination at Seller's expense. If the underground oil tank is still in use, Seller will have the defective tank removed according to NJDEP Regulations, with municipal permits and approvals, and will replace the defective tank with a new above ground tank. After the tank has been replaced and/or all contaminated soil has been removed and replaced, and any groundwater contamination eliminated, Seller will obtain a No Further Action letter from the New Jersey Department of Environmental Protection.
- (c) If the remediation cannot be completed or a No Further Action letter has not been obtained by the date of closing, both parties have the option to mutually agree to extend the settlement process.
- (d) If the cost to remediate is estimated by Seller's contractor to exceed \$ _____, Seller or buyer may cancel this contract. If the contract is cancelled, all deposit monies will be returned to the Buyer, and neither party shall have any further obligation to the other.

4. **MOLD DISCLOSURE:** Mold contaminants may exist in the Property of which the Broker or Agent(s) is unaware. Mold and/or mildew can be found in any environment. Mold spores can enter buildings through the air and be transported by people and animals. These contaminants may also grow in places where there is or may have been excessive moisture, such as where leakage may have occurred in roofs, pipes, walls, plant pots, or where there has been flooding; these conditions may be identified with a typical home inspection. Presence of mold does not always present a health problem.

Inspection for mold, mildew, and indoor or outdoor air quality should be performed, detected, and evaluated by other qualified and insured specialists of the customer's choice and hire. Buyer shall have the right to conduct a mold inspection/test and supply Seller or Seller's agent with a copy of the test results within ten (10) business days from the expiration of the Attorney Review Period. Much of the information stated above is from the National Center for Environmental Health, Centers for Disease Control and Prevention, and the Environmental Protection Agency. You can contact these agencies for more information about mold and other indoor air quality, or visit the EPA website at www.epa.gov

5. **RADON TESTING, REPORTS AND MITIGATION:** (Radon is a radioactive gas, which results from the natural breakdown of uranium in soil, rock and water. It has been found in homes all over the United States and is a carcinogen. For more information on radon go to www.epa.gov/iaq/radon/pubs/hmbyguid.html or www.State.Nj.us/dep/rpp/radon/index.htm or call the NJ Radon Hot Line at 1-800-648-0394 or 1-609-984-5425)

If the property has been tested for radon prior to the date of the Agreement, Seller agrees to provide to the Buyer, at the time of the execution of this agreement, a copy of the result of the radon test(s) and evidence of any subsequent radon mitigation or treatment of the property. In any event, Buyer shall have the right to conduct a radon inspection/test and supply Seller or Seller's agent with a copy of the test results within ten (10) business days from the expiration of the Attorney Review Period. For the purposes of the paragraph, Seller and Buyer agree that in the event a radon gas concentration level in the subject dwelling is determined to be less than 4 Pico curies per liter (4.0 pCi/L) without any remediation, such level of radon gas concentration shall be deemed to be an acceptable level ("Acceptable Level") for the purposes of this agreement. Under those circumstances, the Seller shall be under no obligation to remediate, and this contingency clause as it relates to radon shall be deemed fully satisfied.

If the Buyer's qualified inspector reports that the radon gas concentration level in the subject dwelling is 4 pico curies per liter (4.0 pCi/L) or more, Seller shall have a seven (7) calendar day period after receipt of such report to notify Buyer in writing that the Seller agrees to remediate the gas concentration to an Acceptable Level Upon such remediation, the contingency in this agreement, which relates to radon, shall be deemed fully satisfied. If Seller fails to notify Buyer of Seller's agreement to remediate, such failure to so notify shall be deemed to be a refusal by Seller to remediate the radon level to an Acceptable Level, and Buyer shall then have the right to void this agreement by notifying the Seller in writing within seven (7) calendar days thereafter. If Buyer shall fail to void this contract within the seven (7) day period, the Buyer shall have waived his right to cancel this contract, and this contract

shall remain in full force and effect, and seller shall be under no obligation to remediate the radon gas concentration. If Seller shall agree to remediate the radon to an Acceptable Level, such remediation and associated testing shall be completed by Seller prior to the closing of title.

6. **SMOKE DETECTOR AND CARBON MONOXIDE:** Pursuant to Uniform Fire Code N.J.A.C. 5:70-2.3, all owners of one and two family properties containing any fuel burning appliances or an attached garage are required to obtain a Certificate of Smoke Detector and Carbon Monoxide Alarm Compliance (CSDCMAC) prior to the sale or other change of occupancy of real property for residential purposes. If the subject property contains any fuel burning appliances or an attached garage, Seller shall, at Seller's sole cost and expense, obtain a CSDCMAC from the appropriate enforcing agency and deliver same to Buyer prior to the closing of title to the above real property.

7. **FIRE EXTINGUISHER COMPLIANCE:** As of November 1, 2005 there is a new law in effect that requires upon the sale, lease or transfer of a building with fewer than three units, each unit be equipped with at least one portable fire extinguisher. NJAR was able to secure an amendment to the legislation to exclude all seasonal rental units. The law further states that the extinguisher is to be provided at the expense of the seller, landlord or transferor of the property. The law defines portable fire extinguisher as "an operable portable device, carried and operated by hand, containing an extinguishing agent that can be expelled under pressure for the purpose of suppressing or extinguishing fire, and which is: (1) rated for residential use consisting of an ABC type; (2) no larger than a 10 pound rated extinguisher; and (3) mounted within 10 feet of the kitchen area, unless otherwise permitted by the enforcing agency."

8. **INCLUSION OF SWIMMING POOL AND/OR SPA:** It is understood between Buyer and Seller that the: in-ground swimming pool, above ground swimming pool, spa, and associated filtration system are included in the Contract for Sale. Any accessories to the above that are to be included are as follows: _____

Buyer and Seller also agree: Buyer shall have ten (10) business days after the expiration of the attorney review period to inspect the above said system(s) and receive inspection results. If said inspection reveals any deficiencies, Buyer shall notify the Seller within five (5) business days. Buyer shall have the right to declare this Contract terminated and the deposit monies shall be returned to the Buyer, unless the Seller agrees, in writing, within five (5) business days of receiving the inspection results to repair and/or replace same, as may be required, at Sellers own cost and expense.

It is understood and agreed that the Seller makes no representation or warranty as to the condition of the above. The Buyer agrees to accept the above in an as is condition meaning the same condition as it is at the time of the signing of this Contract for Sale.

9. **VA AMENDENTORY CLAUSE:** It is expressly agreed that, notwithstanding any other provision of this contract, the purchaser shall not be obligated to complete the purchase of the property described herein or to incur any penalty by forfeiture of earnest money deposits or otherwise in the case of a VA loan, if the contract purchase price or cost exceeds the reasonable value of the property established by the U.S. Department of Veterans Affairs. The purchaser shall, however, have the privilege and option of proceeding with the consummation of this contract without regard to the amount of the reasonable value established by the Veterans Administration.

10. **SELLER FINANCING:** It is understood and agreed that the mortgage note and mortgage instrument as required in Paragraph 6(3) of this Contract shall be drawn by an attorney. These instruments shall provide that the mortgage loan is for a term of _____ years, to be paid in monthly installments of \$ _____ each with interest at the annual rate of _____ %.

11. **RIGHT OF FIRST REFUSAL CLAUSE:** This contract is contingent upon Buyer entering into a contract for the sale of their property located at _____ on or before _____. Buyer agrees to list the property for sale with a licensed real estate broker within five (5) days after the expiration of the Attorney Review Period. A copy of the executed Listing Agreement will be provided to Seller or Seller's agent as proof of Buyer's good faith effort to sell the property. Buyer agrees to use his best efforts to cause the property to be sold in accordance with the terms of the Listing Agreement.

In the event the Buyer does not enter into a Contract for the Sale of the above property on/or before _____, this Contract for the Sale of Real Estate shall be null and void and all deposit monies shall be returned to the Buyer, unless the time for satisfaction of this contingency is extended by the parties in writing.

It is agreed by the parties that the Seller shall have the right to continue to market the property for sale until such time as this contingency is removed in writing by the parties. In the event the Seller should receive an acceptable offer for the purchase of the property prior to the above date, the Buyer will be given _____ hours, (not including Saturdays, Sundays or legal holidays) to remove this contingency by providing Seller with a copy of a Contract for the sale of the above property or written proof of Buyer's financial ability to complete final settlement as per this Contract. In the event such evidence is not provided within the specified time period, then the Seller, at his option, may declare this Contract null and void, and all deposit monies shall be returned to the Buyer.

12. **RELEASE CONTINGENCY:** This Contract for Sale is Contingent upon the Seller obtaining a fully executed release from a previous Contract for Sale on the subject property dated _____, between Seller and _____ (previous buyer). In the event said release cannot be obtained within seven (7) calendar days from the date the Seller signs this Contract for Sale, the Contract for Sale shall be declared null and void and all deposit monies shall be returned to the Buyer.

13. **ASSOCIATION RIGHT OF FIRST REFUSAL:** The parties acknowledge that seller, by deed restriction, is required to first offer the subject premises for sale to the _____ Association. Seller agrees within ten (10) business days from the expiration of the Attorney Review Period, to provide Buyers and Buyer's Attorney or title insurance company with a waiver from said Association, indicating that the Association's Right of First Refusal has been offered and that it has been waived.

14. **ASSUMPTION:** Subject to or assumption of existing first mortgage. This mortgage is held by _____, the rate of interest being _____ % the remaining term being approximately _____ years. Seller warrants that this mortgage can be assumed without any change in its terms, that it will be in good standing at time of settlement and that on this date the monthly payment for principal, and interest is approximately \$ _____ and that the approximate principal payment balance is \$ _____.

15. **DISCLOSURE OF LICENSED REAL ESTATE PERSON:** _____ Hereby discloses that he/she is a licensed real estate agent of the State of New Jersey and presently is associated with the firm of _____ located at _____.

Date _____
Seller's Signature _____ Buyer's Signature _____

Date _____
Seller's Signature _____ Buyer's Signature _____