

Addendum to Contract

GRP# _____

This Addendum to Contract (the "Addendum") is affixed to and shall become part of that certain Contract of Sale and Purchase dated as of _____, 200__ (the "Contract Date"), by and between

_____, as Seller

and

_____, as Buyer,

with respect to that certain property described in the Contract of Sale and Purchase and known as

_____ (the "Premises").

If, and to the extent that, any provisions contained in this Addendum conflict with or are inconsistent with the terms of the Contract of Sale and Purchase (whether those terms have been manually stricken from the Contract of Sale and Purchase or not), the provisions of this Addendum shall control, unless any provision of this Addendum would violate a provision of law in the state where the property is located. If any provision of this Addendum would violate a provision of law in the state where the property is located, that specific provision in this Addendum will be deemed inapplicable to this transaction and all of the other terms and provisions of this Addendum shall remain in full force and effect. This Addendum and the above-referenced Contract of Sale and Purchase shall hereinafter be collectively referred to as the "Contract." Capitalized terms used in this Addendum and not otherwise defined herein shall have the meanings ascribed to them in the Contract of Sale and Purchase. The Premises and the improvements thereon that are subject to the Contract of Sale and Purchase are collectively referred to herein as the "Property."

Notwithstanding any provisions of the Contract of Sale and Purchase to the contrary:

A-1: **"As Is" Representation.** BUYER REPRESENTS, WARRANTS AND ACKNOWLEDGES TO SELLER AND AGREES WITH SELLER THAT BUYER IS TAKING THE PREMISES AND PROPERTY IN "AS IS" CONDITION, WITH ALL FAULTS, AND SPECIFICALLY AND EXPRESSLY WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTIES, EITHER EXPRESS OR IMPLIED OF ANY KIND, NATURE OR TYPE WHATSOEVER ON BEHALF OF THE SELLER. Buyer acknowledges and understand that the Seller has obtained the Property through a foreclosure or deed-in-lieu of foreclosure action. Therefore, the Seller is not and was not an owner-occupant at the Property, and its information concerning the Property and its condition is limited. Buyer acknowledges that neither Seller nor its agents have made any warranties, implied or expressed, relating to the condition of the Property.

A-2: **No Reliance by Buyer.** Neither Seller nor its agents shall be responsible for the repair, replacement or modification of any deficiencies, malfunctions or mechanical defects in the material, workmanship or mechanical components at the Property prior to or subsequent to closing. Seller makes no representations or warranties as to the condition or operation of personal property, title to personal property or whether any personal property is encumbered by liens. Buyer hereby acknowledges that Buyer is not entitled to, and has not relied upon the Seller or its agents with respect to (i) the quality, nature, adequacy or physical condition of the Property, including but not limited to the structural elements, foundation, roof, appurtenances, access, landscaping, parking facilities or the electrical, mechanical; HVAC, plumbing, sewage or utility systems, facilities or appliances, if any; (ii) the quality, existence, nature, adequacy or physical condition of soils, sub-surface support or ground water at the property; (iii) the existence, quality, nature, adequacy or physical condition of any utilities; (iv) the existence, quality, nature, adequacy, physical condition or ability to access any rights of way or roads of any kind; (v) the existence, quality, nature or adequacy of an ability to access utilities, including but not limited to electricity, natural gas, water and sewer; (vi) the habitability, merchantability or fitness, suitability or adequacy of the Property for any particular purpose; (vii) the zoning classification, use or other legal status of the Property; (viii) the existence, applicability, quality or nature of any setback requirements; (ix) the Property or its operations, compliance with any applicable codes, laws, regulations, statutes, ordinances, covenants, conditions or restrictions or any governmental or quasi-governmental entity or of any other person or entity; (x) the quality of any labor or materials relating in any way to the Property; (xi) the condition of title to the Property or the nature status and extent of any right, encumbrance, license, reservation, covenant, condition, restriction or any other matter affecting title; or (xii) any other matter, except as specifically set forth in the Contract. If the Property is located in New Jersey, the Buyer shall be solely responsible to perform water tests required under the Private Well Testing Act, and Buyer shall be responsible for the costs of these tests. Buyer agrees to furnish Seller with a written copy of the test results within ten (10) days after receipt of the results by the Buyer.

A-3: **Environmental.** BUYER ACKNOWLEDGES THAT SELLER HAS NOT, DOES NOT AND WILL NOT MAKE ANY REPRESENTATION OR WARRANTY WITH REGARD TO THE COMPLIANCE OF THE PROPERTY WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION, SUBDIVISION OR LAND USE OR OTHER LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS PERTAINING TO THE HANDLING, GENERATING, TREATING, STORING OR DISPOSING OF ANY HAZARDOUS, DANGEROUS OR TOXIC WASTE, MATERIAL OR SUBSTANCE, INCLUDING, WITHOUT LIMITATION, ASBESTOS, ASBESTOS-CONTAINING MATERIAL OR LEAD-BASED PAINT, AND BUYER ASSUMES FULL RESPONSIBILITY FOR THE ABATEMENT, REMOVAL AND/OR CORRECTION OF SAME.

A-4: **Inspections.** (CHOOSE ONE):

_____ (1) Buyer has seven (7) days from the Contract Date to conduct normal and customary inspections of the Property. If Buyer's inspection reveals conditions that are materially and adversely different from the observable conditions at the Property as of the Contract Date, Buyer may terminate this Contract by providing Seller with written notice of termination. Such termination notice must (i) contain a detailed description of the material, adverse conditions found and (ii) be received by the Seller on or before the day that is eight (8) days from the Contract Date. In such event, this Contract shall terminate and Buyer shall be entitled to a refund of its earnest money deposit. Buyer shall have no right to terminate this Contract pursuant to this section after the eighth day following the Contract Date.

_____ (2) Buyer acknowledges that Buyer has either (i) inspected the Property, conducted tests, inspections or risk assessments or (ii) waived such inspections, tests and assessments. Buyer has had an adequate opportunity to inspect the Property and to make such legal, factual or other inquiries and investigations, as Buyer deems necessary, desirable or appropriate. Buyer acknowledges that Buyer has not relied upon any alleged representation made by or on behalf of Seller.

A-5: **Title Clearance.** (a) **Ordering Title.** Buyer shall order, within five (5) days of Contract Date, a title insurance commitment from a title insurance company (the "**Title Company**") licensed to do business in the state where the Property is located. Buyer shall be allowed to select the title company, **provided, however,** that such title company will accept the documentation offered by Seller with respect to the entity transferring title to Buyer. In the event that Buyer's title company does not accept such documentation and refuses to close the transaction based on the documentation submitted by Seller, then Buyer shall use a title company selected by Seller, and Buyer shall remain liable for all costs thereof as set forth herein. **Buyer shall deliver a copy of the title insurance commitment to Seller and Seller's representative promptly upon Buyer's receipt of the title insurance commitment.** The title insurance commitment must be delivered to the following parties at the following addresses:

Seller:

GRP Financial Services Corp.
445 Hamilton Avenue, 8th Floor
White Plains, NY 10601
Attention: ___ Vicki Treacy

 ___ Yesica Manon

Seller's Representative:

(b) Buyer's Statement of Objections. **Within twenty (20) days of the Contract Date, Buyer shall deliver to Seller a written statement of objections to title (the "Statement of Objections").** In the event that Buyer does not deliver the Statement of Objections within said twenty (20) day period, Buyer shall be deemed to have waived any and all objections to title.

(c) Seller's Election. In the event that Buyer delivers the Statement of Objections within the twenty (20) day period, then Seller shall have the right, at its option, to either cure the objections or not to cure the objections. Within seven (7) days after receipt of Buyer's Statement of Objections, Seller shall notify Buyer of Seller's election.

- (1) **Seller Elects to Not to Cure Objections.** If Seller elects not to cure said objections, then Buyer shall have the right, at its option, to either accept title (with no reduction in the purchase price) or to terminate this Contract.
- (2) **Seller Elects to Cure Objections.** If Seller elects to cure said objections, Seller shall have a reasonable period of time within which to cure such objections, including any period of time up to the anticipated Closing Date, and for up to sixty (60) days beyond the anticipated Closing Date. In the event such title objections have not been cured by such time, after such sixty (60) day period, either party shall have the right to terminate this Contract, and Seller shall not be liable in any manner for any damages to Buyer that may have resulted from a delay in closing or cancellation of this Contract pursuant to this section. Buyer's sole remedy in such case shall be termination of this Contract and the return by Seller of the earnest money deposit.

(d) Buyer's Election. In the event Seller elects not to cure the objections, Buyer shall have seven (7) days after receipt of Seller's notice to deliver written notice to Seller setting forth whether Buyer will accept title or terminate this Contract. If Buyer fails to give Seller such notice within such seven (7) day period, it shall be presumed conclusively that Buyer has elected to accept title to the Property subject to such items. If Buyer elects to terminate this Contract, then neither Buyer nor Seller shall have any further liability hereunder, except that Buyer shall be entitled to the return of the earnest money deposit and Buyer shall be obligated to pay all charges relating to the title insurance commitment.

(e) No Further Objections. After Buyer has approved the state of title as set forth above, Buyer shall have no right to object to the state of title to the Property, except as to any encumbrances on title caused by Seller or arising as a result of the actions of Seller between said time and the date of Closing. Buyer further agrees that no item shall be deemed to be an objection to title in the event Buyer is able to obtain affirmative insurance against loss with respect to any such item and/or affirmative insurance against the collection of such item from the Property or enforcement of such item against the Property.

A-6: **Closing Date.** The Closing of the transaction contemplated in this Contract shall take place at the offices of the Seller's attorney or representative on the date that is thirty (30) days from the Contract Date (the "Closing Date") or such other date and place as may be agreed to by the parties.

A-7: **Taxes.** Buyer acknowledges that Buyer has made its own investigation with respect to the real estate taxes and assessments that may affect the Property. Buyer acknowledges that it has not relied upon any information, document, sales brochure or other literature, maps, sketches, projection or any other material or statement, whether express or implied, with respect to the taxes that may have been given by or made by or on behalf of the Seller. Notwithstanding any other provisions contained in this Contract or any other documents executed in conjunction with this Contract or closing, all tax prorations shall be final, and no party (either in its own right or through its title company or other agent) may seek payment from the other for tax prorations or delinquent taxes that are not otherwise set forth on the HUD-1 closing statement. The provisions of this paragraph A-7 shall survive the closing.

A-8: **Closing Costs.** Buyer shall pay any and all closing costs, including, but not limited to (i) any and all transfer taxes, state or local documentary stamp fees and recording charges due in connection with the conveyance, (ii) any and all title charges, title premiums and any other costs associated with the title commitment, title policy and survey (if any); (iii) any and all escrow fees of the title company. Buyer and Seller each shall be responsible for their own legal fees. Seller shall not pay, be responsible for, or provide a credit for any Buyer-requested or lender-requested repairs, reports, treatments, surveys, allowances or inspections. In no event shall Seller be obligated to expend any monies or to perform any repairs, renovations and/or any work to improve the condition of the Property or to correct and/or cure any violation of law or municipal ordinance.

A-9: **Deed.** At closing, Seller shall convey title to the Property to the Buyer by special or limited warranty deed, with covenants against affirmative acts of Seller, and with special or limited warranty to defend title against claims of persons claiming by, through or under Seller, but not otherwise.

A-10: **Broker.** The Buyer and Seller hereby acknowledge and agree that no broker brought about this sale other than _____ (the "**Broker**"). Seller agrees to pay a brokerage commission to Broker pursuant to a separate written agreement. Buyer agrees to indemnify and hold Seller harmless from and against any and all other claims for brokerage commissions (including reasonable attorneys' fees) incurred by reason of a claim against Seller for a commission or finder's fee as a result of Buyer having dealt with any other real estate brokers or finders in connection therewith. The provisions of this paragraph A-10 shall survive the closing.

A-11: **Merger and Signatures.** This Contract shall not be binding upon either party unless and until this Contract is executed by both Seller and Buyer and a fully executed original of the Contract is delivered to the Buyer by Seller. All understandings and agreements between the Buyer and Seller are merged into this Contract, which alone fully and completely sets forth the agreement between the parties. None of the provisions of the Contract shall survive the closing unless such provision specifically provides for survival past the closing. Copies or facsimile signatures shall be deemed original signatures to this Contract.

A-12: **Remedies.** In the event of a Seller default hereunder, the sole remedy of the Buyer shall be the right to terminate this Contract and receive a return of the earnest money deposit.

[delete if inapplicable]

A-13: **Buyer's Financing Contingency.** This Contract is subject to the condition that on or before the date that is thirty (30) days from the Contract Date, Buyer shall secure a written commitment for a loan to be secured by the mortgage or deed of trust on the Property in the amount of \$ _____, or such lesser sum as buyer accepts. Buyer shall, at Buyer's sole expense, submit a loan application to an institutional lender and diligently pursue such application. If Buyer is unable to procure a loan commitment from any source, then Buyer must, at least one (1) business day prior to the expiration of the contingency period set forth herein, deliver to Seller, a written notice that Buyer is exercising its option to terminate this Contract. Upon Seller's timely receipt of such notice, this Contract shall become null and void and of no further force or effect as between the Buyer and Seller, except with respect to those provisions that specifically survive the termination of this Contract, and any earnest money deposit paid by the Buyer to Seller shall be refunded to Buyer. **In the event that Buyer does not serve notice to Seller of Buyer's failure to procure the mortgage loan commitment within the time period set forth herein, then this Contract shall continue in full force and effect, without any financing contingency, and Buyer shall have waived all right to terminate this Contract pursuant to this provision.**

A-14: **Per Diem Charge.** In the event that the Closing is delayed through no fault of the Seller, Buyer shall pay to Seller, at closing, at Seller's option, a per diem charge as set forth below:

- (a) for Property located in New York, New Jersey or Connecticut: \$200 per day;
- (b) for Property located in any other state: \$100 per day.

The per diem charge shall not be deemed to be Seller's sole remedy in the event of a delay or default not caused by Seller; rather, Seller shall be entitled to seek any remedy available to it at law or in equity as a result of such default.

In addition, in the event that Buyer and Seller agree to extend the Closing Date beyond the date specified herein, Buyer shall, if requested by Seller, deliver an additional deposit, to be credited against the Purchase Price at Closing, which additional deposit shall not exceed ten (10%) percent of the Purchase Price. Any such additional deposit shall be subject to the terms governing the initial deposit made under the Contract. This provision does not obligate the Seller to extend the Closing Date beyond the date specified herein for the Closing.

[delete if inapplicable]

A-15: **FHA Provisions or Other Specific Provisions.** Buyer and Seller agree that, pursuant to the requirements of the FHA program in which Buyer is participating or otherwise, [set forth below]:

IN WITNESS WHEREOF, the parties hereto have executed this Addendum on the date set forth above.

SELLER:

By:

Name:

Title:

BUYER:

Name:

Name: