

**ADDENDUM TO PURCHASE AGREEMENT**

**NEW JERSEY STATE SPECIFIC TERMS**

**Buyer acknowledges that the purchase of the Property may have resulted from a transfer made by a Mortgagee who acquired the Property at a Sheriff's Sale pursuant to the "New Jersey Fair Foreclosure Act" N.J. Rev. Stat. §§ 2A:50-53 et. seq., or by deed in lieu thereof. Further, regardless of how Seller obtained title, Seller is not familiar with the condition of the Property, other than as may be set forth in any inspection reports obtained by or on behalf of Seller, Seller's representatives or agents or that Seller may have received otherwise. Any such reports furnished to Buyer by Seller or its agents in connection herewith shall be for informational purposes only, are not made part of the Agreement, and Seller makes no representations or warranties about their accuracy or completeness. Buyer acknowledges that in consideration of Seller's execution of the Agreement, Buyer, on behalf of itself and all other parties having any claims, covenants that neither Buyer nor any such other party will sue, commence, prosecute or in any way participate in any judicial, administrative, or other regulatory proceedings for breach of contract based on any disclosures relating to any alleged breach or violation of any state law, rule or regulation by Seller, or any other party engaged on Seller's behalf, including, without limitation any real estate broker or agent representing Seller.**

**EXECUTION OF DISCLOSURES BY BUYER.** Buyer shall execute, deliver and deposit with the Escrow/Closing Agent at or prior to the Closing Date, all federal, state and local disclosures concerning the Property that Buyer is required to execute under applicable laws and regulations or required by the Agreement or the Escrow/Closing Agent.

**SEPARATE DOCUMENTS PROVIDED TO BUYER**

1. Federal Lead Based Paint Disclosure (if pre-1978)
2. Pamphlet: "Protect Your Family from Lead in Your Home"

**REAL ESTATE BROKER DISCLOSURE REGARDING REPRESENTATION**

1. As the real estate broker, RealtyBid.com ("RealtyBid.com") (License No. \_\_\_\_\_) and \_\_\_\_\_ (Real Estate Agent) represents the seller only, not the buyer. The title company does not represent either the seller or the buyer.

2. You will not get any legal advice unless you have your own lawyer. Neither RealtyBid.com nor anyone from the title company can give legal advice to either the buyer or the seller. If you do not hire a lawyer, no one will represent you in legal matters now or at the closing. Neither RealtyBid.com nor the title company will represent you in those matters.

3. The contract is the most important part of the transaction. It determines your rights, risks and obligations. Signing the contract is a big step. A lawyer would review the contract, help you understand it, and also help you negotiate its terms.

4. The contract becomes final and binding unless your lawyer cancels it within the following three business days. If you do not have a lawyer, you cannot change or cancel the contract unless the other party agrees. Neither can the real estate broker or the title insurance company change the contract.

5. Another important service of a lawyer is to order a survey, title report and other important reports. The lawyer will review them and help to resolve any questions that may arise about the ownership and condition of the property. These reports and survey can cost you a lot of money. A lawyer will also prepare the documents needed to close title and represent you at the closing.

6. A buyer without a lawyer runs special risks. Only a lawyer can advise a buyer about what to do if problems arise concerning the purchase of the property. The problems may be about the seller's title, the size and shape of the property, or other matters that may affect the value of the property. If either the broker or the title company knows about the problems, they should tell you. But they may not recognize the problem, see it from your point of view, or know what to do. Ordinarily the broker and the title company have an interest in seeing that the sale is completed, because only then do they usually receive their commissions. So, their interests may differ from yours.

7. Whether you obtain a lawyer is up to you. It is your decision. The purpose of this notice is to make sure that you have the information needed to make your decision.

Dated: \_\_\_\_\_

**BUYER:**

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Co-Buyer

\_\_\_\_\_  
Buyer/Co-Buyer Agent

Dated: \_\_\_\_\_

**SELLER:**

\_\_\_\_\_  
Seller

\_\_\_\_\_  
Seller Agent/Broker

## **CONSUMER INFORMATION STATEMENT ON REAL ESTATE RELATIONSHIPS**

Real estate licensees in many jurisdictions are required to disclose how they intend to work with buyers and sellers in a real estate transaction.

1. AS A SELLER'S AGENT OR SUBAGENT, I, AS A LICENSEE, REPRESENT THE SELLER AND ALL MATERIAL INFORMATION SUPPLIED TO ME BY THE BUYER WILL BE TOLD TO THE SELLER.
2. AS A BUYER'S AGENT, I, AS A LICENSEE, REPRESENT THE BUYER AND ALL MATERIAL INFORMATION SUPPLIED TO ME BY THE SELLER WILL BE TOLD TO THE BUYER.
3. AS A DISCLOSED DUAL AGENT, I, AS A LICENSEE, REPRESENT BOTH PARTIES, HOWEVER, I MAY NOT WITHOUT EXPRESS PERMISSION, DISCLOSE THAT THE SELLER WILL ACCEPT A PRICE LESS THAN THE LISTING PRICE OR THAT THE BUYER WILL PAY A PRICE GREATER THAN THE OFFERED PRICE.
4. AS A TRANSACTION BROKER, I, AS A LICENSEE, DO NOT REPRESENT EITHER THE BUYER OR THE SELLER. ALL INFORMATION I ACQUIRE FROM ONE PARTY MAY BE TOLD TO THE OTHER PARTY.

Before you disclose confidential information to a real estate licensee regarding a real estate transaction, you should understand what type of business relationship you have with that licensee. There are four business relationships: (1) seller's agent; (2) buyer's agent; (3) disclosed dual agent; and (4) transaction broker. Each of these relationships imposes certain legal duties and responsibilities on the licensee as well as on the seller or buyer represented. These four relationships are defined in greater detail below. Please read carefully before making your choice.

### **SELLER'S AGENT**

A seller's agent WORKS ONLY FOR THE SELLER and has legal obligations, called fiduciary duties, to the seller. These include reasonable care, undivided loyalty, confidentiality and full disclosure. Seller's agents often work with buyers, but do not represent the buyers. However, in working with buyers a seller's agent must act honestly. In dealing with both parties, a seller's agent may not make any misrepresentations to either party on matters material to the transaction, such as the buyer's financial ability to pay, and must disclose defects of a material nature affecting the physical condition of the property which a reasonable inspection by the licensee would disclose.

Seller's agents include all persons licensed with the brokerage firm which has been authorized through a listing agreement to work as the seller's agent. In addition, other brokerage firms may accept an offer to work with the listing broker's firm as the seller's agent. In such cases, those firms and all persons licensed with such firms, are called "sub-agents." Sellers who do not desire to have their property marketed through sub-agents should so inform the seller's agent.

## **BUYER'S AGENT**

A buyer's agent WORKS ONLY FOR THE BUYER. A buyer's agent has fiduciary duties to the buyer which include reasonable care, undivided loyalty, confidentiality and full disclosure. However, in dealing with sellers, a buyer's agent must act honestly. In dealing with both parties, a buyer's agent may not make any misrepresentations on matters material to the transaction, such as the buyer's financial ability to pay, and must disclose defects of a material nature affecting the physical condition of the property which a reasonable inspection by the licensee would disclose.

A buyer wishing to be represented by a buyer's agent is advised to enter into a separate written buyer agency contract with the brokerage firm which is to work as their agent.

## **DISCLOSED DUAL AGENT**

A disclosed dual agent WORKS FOR BOTH THE BUYER AND SELLER. To work as a dual agent, a firm must first obtain the informed written consent of the buyer and the seller. Therefore, before acting as a disclosed dual agent, brokerage firms must make written disclosure to both parties. Disclosed dual agency is most likely to occur when a licensee with a real estate firm working as a buyer's agent shows the buyer properties owned by sellers for whom that firm is also working as a seller's agent or sub-agent.

A real estate licensee working as a disclosed dual agent must carefully explain to each party that, in addition to working as their agent, their firm will also work as the agent for the other party. They must also explain what effect their working as a disclosed dual agent will have on the fiduciary duties their firm owes to the buyer and to the seller. When working as a disclosed dual agent, a brokerage firm must have the express permission of a party prior to disclosing confidential information to the other party. Such information includes the highest price a buyer can afford to pay and the lowest price a seller will accept and the parties' motivation to buy or sell. Remember, a brokerage firm acting as a disclosed dual agent will not be able to put one party's interests ahead of those of the other party and cannot advise or counsel either party on how to gain an advantage at the expense of the other party on the basis of confidential information obtained from or about the other party.

If you decide to enter into an agency relationship with a firm which is to work as a disclosed dual agent, you are advised to sign a written agreement with that firm.

## **TRANSACTION BROKER**

The Licensing Laws of many jurisdictions do not require licensees to work in the capacity of an "agent" when providing brokerage services. A transaction broker works with a buyer or a seller or both in the sales transaction without representing anyone. A TRANSACTION BROKER DOES NOT PROMOTE THE INTERESTS OF ONE PARTY OVER THOSE OF THE OTHER PARTY TO THE TRANSACTION.

Licensees with such a firm would be required to treat all parties honestly and to act in a competent manner, but they would not be required to keep confidential any information. A

transaction broker can locate qualified buyers for a seller or suitable properties for a buyer. They can then work with both parties in an effort to arrive at an agreement on the sale or rental of real estate and perform tasks to facilitate the closing of a transaction.

A transaction broker primarily serves as a manager of the transaction, communicating information between the parties to assist them in arriving at a mutually acceptable agreement and in closing the transaction, but cannot advise or counsel either party on how to gain an advantage at the expense of the other party. Owners considering working with transaction brokers are advised to sign a written agreement with that firm which clearly states what services that firm will perform and how it will be paid. In addition, any transaction brokerage agreement with a seller should specifically state whether a notice on the property to be sold will or will not be circulated in any or all Multiple Listing System(s) of which that firm is a member.

**YOU MAY OBTAIN LEGAL ADVICE ABOUT THESE BUSINESS RELATIONSHIPS FROM YOUR OWN LAWYER.**

**THIS STATEMENT IS NOT A CONTRACT AND IS PROVIDED FOR INFORMATIONAL PURPOSES ONLY.**

By signing this Consumer Information Statement, I acknowledge that I have been advised that RealtyBid.com and \_\_\_\_\_ (Real Estate Agent) are working as the Seller's Agent only.

Buyer: \_\_\_\_\_ Dated: \_\_\_\_\_

Co-Buyer: \_\_\_\_\_ Dated: \_\_\_\_\_

**AIRPORT NOISE.** Buyers should investigate the impact of airport flight paths and the noise levels at different times of the day over that property. For more information on airport noise, visit the New Jersey Department of Transportation, Freight, Air and Water.

**BUILDING AND ZONING CODES.** Buyer should consult the local jurisdiction for information on building and zoning codes or information about transportation beltways and/or planned or anticipated land use within proximity of the Property. Seller makes no representations or warranties regarding compliance or conformity with any building codes, laws, rules, or regulations.

**ENVIRONMENTAL HAZARDS.** Seller is not aware of a defect or hazard however this does not mean that it does not exist. **It is the buyer's responsibility to be informed and take additional steps to further investigate.** Potential hazards include:

1. Radon ([www.epa.gov/radon](http://www.epa.gov/radon))
2. Floods ([www.epa.gov/ehtpages/emernaturaldisastefloods.html](http://www.epa.gov/ehtpages/emernaturaldisastefloods.html))
3. Methamphetamine Labs
4. Wood-Burning Devices ([www.epa.gov/iaq/pubs/combust.html](http://www.epa.gov/iaq/pubs/combust.html))
5. Underground Storage Tanks ([www.epa.gov](http://www.epa.gov))

6. Well & Septic Systems ([www.epa.gov/ebtpages/wategroundwaterwells.html](http://www.epa.gov/ebtpages/wategroundwaterwells.html))
7. Contaminated Soils ([www.epa.gov/ebtpages/pollsoilcontaminants.html](http://www.epa.gov/ebtpages/pollsoilcontaminants.html))
8. Groundwater ([www.epa.gov/safewater/protect/citguide.html](http://www.epa.gov/safewater/protect/citguide.html))

For more information on environmental hazards, visit [www.epa.gov](http://www.epa.gov).

**FAIR HOUSING ACT DISCLOSURE.** Under the Federal Fair Housing Act, it is illegal to discriminate in the rental or sale of housing on the basis of race, color, national origin, religion, sex, handicap, or familial status.

**MEGAN'S LAW STATEMENT.** Under New Jersey law, the county prosecutor determines whether and how to provide notice of the presence of convicted sex offenders in an area. In their professional capacity, real estate licensees are not entitled to notification by the county prosecutor under Megan's Law and are unable to obtain such information for you. Upon closing the county prosecutor may be contacted for such further information as may be disclosed to you.

**MOLD.** Mold is naturally occurring and may cause health risks or damage to property. If Buyer is concerned or desires additional information regarding mold, Buyer should contact an appropriate professional. Real property (including, but not limited to, the basement) is or may be affected by water or moisture damage, toxic mold, and/or other environmental hazards or conditions. Buyer is being advised that exposure to certain species of mold may pose serious health risks, and those individuals with immune system deficiencies, infants and children, the elderly, individuals with allergies or respiratory problems, and pets are particularly susceptible to experiencing adverse health effects from mold exposure. Buyer acknowledges that Seller has advised Buyer to make his/her own evaluation of the Property and to have the Property thoroughly inspected. Buyer has been further advised by Seller that all areas contaminated with mold, and/or other environmental hazards or conditions, should be properly and thoroughly remediated. Additionally, Buyer has been advised by Seller that habitation of the Property without complete remediation may subject the inhabitants to potentially serious health risks and/or bodily injury. Buyer acknowledges that it is the sole responsibility of Buyer to conduct any remediation on the Property. Buyer represents and warrants to Seller that Buyer has made his own inspection and evaluation of the Property to Buyer's complete satisfaction, and Buyer accepts the Property AS IS, WHERE IS, WITH ALL FAULTS AND LIMITATIONS.

**PERMITS AND REPAIRS.** If the Property is located in a jurisdiction that requires a certificate of occupancy, smoke detector certification, septic certification or any similar certification or permit or any form of improvement or repair to the Property (collectively, "**Permits and Repairs**"), Buyer acknowledges and agrees that Buyer shall be responsible for obtaining any and all of the Permits and Repairs at Buyer's sole cost and expense, including but not limited to any certificate of use or other certification required by the ordinance. Buyer shall make application for all Permits and Repairs within ten (10) days of the Seller's Acceptance Date, such date to be the date of execution of the Agreement and any Exhibits and Addenda hereto. Seller makes no representations or warranties regarding compliance or conformity with any building codes, laws, rules or regulations.

## **PRIVATE WELL TESTING ACT (N.J.S.A. 58:12A-26 et. seq.)**

1. **Applicability:** If the Property (i) has a potable water supply furnished by a private well located on the Property, or (ii) the potable water supply is furnished by a well that has fewer than 15 service connections or that does not regularly service an average of at least 25 individuals daily at least 60 days out of the year, then the water supply must be tested as a condition of the sale. Buyer shall arrange for the required testing at Buyer's cost.
2. **Testing Parameters:** The water test must conform with the parameters established in the Private Well Testing Act and any additional parameters as required by the New Jersey Department of Environmental Protection.
3. **Disclosure:** Closing shall not occur unless both the Buyer and the Seller have received and reviewed a copy of the water test results. Prior to Closing, the Buyer and Seller shall certify in writing that they have received and reviewed the water test results.

**PROPERTY TAX DISCLOSURE SUMMARY.** Buyer should not rely on the Seller's current property taxes as the amount of property taxes that the Buyer may be obligated to pay in the year subsequent to purchase. A change of ownership, use or property improvements may trigger reassessments of the Property that could result in higher property taxes. If Buyer has any questions concerning valuation, Buyer is advised to contact the county property appraiser's office for information.

**RADON.** Radon is a naturally occurring radioactive gas that when accumulated in a building in sufficient quantities may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines may have been found in buildings in New Jersey. You may contact the New Jersey Department of Environmental Protection for further information. Additional information regarding radon and radon testing may be obtained from your county or state health unit. Buyer represents and warrants that he/she/it has not relied on the accuracy or completeness of any representations that have been made by the Seller and/or Seller's broker or auctioneer as to the presence of radon and that the Buyer has not relied on the Seller's or Seller's broker's failure to provide information regarding the presence or effects of any radon found on the Property. Real estate brokers and agents are not generally qualified to advise buyers on radon treatment or its health and safety risks.

**RESIDENTIAL OFF-SITE CONDITION DISCLOSURE.** The Property is not newly constructed residential real estate. Pursuant to thereto and NJAC 11:5-6.4(c), see the following "Notice on Off-Site Conditions."

## **NOTICE ON OFF SITE CONDITIONS**

### **For Other Than Newly Constructed Residential Real Estate.**

Real Estate licensees who possess actual knowledge of an off-site condition which may materially affect the value of residential real estate other than newly constructed properties shall disclose that information to prospective purchasers of such residential real estate affected by the condition. That disclosure shall be made prior to the signing of the contract by a prospective purchaser.

Pursuant to the New Residential Construction Off-Site Conditions Disclosure Act, P.L. 1995, c.253, the clerks of municipalities in New Jersey maintain lists of off-site conditions which may affect the value of residential properties in the vicinity of the off-site condition. Purchasers may examine the lists and are encouraged to independently investigate the area surrounding this property in order to become familiar with any off-site conditions which may affect the value of the property. In cases where a property is located near the border of a municipality, purchasers may wish to also examine the list maintained by the neighboring municipality.

**SQUARE FOOTAGE.** Buyer acknowledges that the square footage of the Property has not been measured by Seller, Seller's broker or its auctioneer (including the square footage of the lot and home) and the square footage quoted on any marketing tools such as advertisements, brochures, MLS data, the auction website and any other information provided is based on information supplied to Seller and is deemed approximate and not guaranteed. Buyer further acknowledges that Buyer has not relied upon any such marketing tool and that such tools are not representations and/or warranties of Seller or its agents.

**RECEIPT OF DISCLOSURES.** Buyer acknowledges and agrees that Buyer has received and/or had adequate opportunity to read and understand all disclosures and documents regarding the Property made available by Seller, Seller's broker or its auctioneer in print or electronic form (the "Disclosures"), prior to entering into the Agreement including without limitation:

1. The pamphlet "Protect Your Family From Lead in Your Home";
2. The documents and information made available on the internet at [www.realtybid.com](http://www.realtybid.com);
3. The written disclosures made available at the Property and at the location where the sale of the Property is conducted;
4. Any real estate brokerage relationship disclosures, such disclosures made available and provided to Buyer during the registration process, prior to bidding at auction and prior to entering into any Agreement for the purchase and sale of the Property; and,
5. The disclosures listed herein and attached to the Agreement, which are incorporated into the Agreement by reference herein.

Buyer understands and acknowledges that any information provided by or on behalf of Seller with respect to the Property, including without limitation, all information in any Disclosures or brochure was obtained from a variety of sources and that Seller and Seller's broker(s) and auctioneer have not made any independent investigation or verification of such information and make no representations as to the accuracy or completeness of such information. This Property was sold to Buyer as a result of a public auction. The public auction materials provided information concerning how Buyer could inspect the Property if Buyer desired to do so. Whether or not Buyer received the public auction materials or chose to inspect the Property, Buyer understands and acknowledges that Buyer voluntarily bid at a public auction for this Property at which inspection reports prepared by an independent third party may have been available for informational purposes only and Buyer agrees to accept this Property AS-IS. The Property is subject to normal wear and tear from the date of the Agreement until Closing.

**"AS IS, WHERE IS, WITH ALL FAULTS AND LIMITATIONS" SALE.** Buyer acknowledges and agrees that neither Seller nor any person acting as Seller's representative or



agent has occupied the Property and that Buyer is acquiring the Property “AS IS, WHERE IS, WITH ALL FAULTS AND LIMITATIONS”, in its present state and condition, with all defects and faults, whether known or unknown, presently existing or that may hereafter arise including, without limitation:

1. The value, any appraised value, nature, quality or condition of the Property, including, without limitation, the water, soil and geology;
2. The income to be derived from the Property;
3. The compliance of or by the Property or its operation with any laws, rules, ordinances or regulations of any applicable governmental authority or body;
4. The habitability, marketability, tenantability or fitness for a particular purpose of the Property.

Buyer shall hold harmless, indemnify and defend Seller and its representatives and agents from any claim arising from or relating to the Property. Buyer hereby fully and irrevocably releases Seller and its representatives and agents from any and all claims of any kind whatsoever, whether known or unknown, arising from or relating to the Property. This release includes claims that Buyer does not know or suspect to exist in Buyer’s favor and which would materially affect Buyer’s release of Seller if such claims were known by Buyer. The obligations and agreements of Buyer under this section shall survive the close of escrow or the earlier termination of the Agreement.

**WAIVER OF SPECIFIC PERFORMANCE REMEDY.** As a material part of the consideration to be paid or received by Buyer and Seller under the Agreement, Buyer waives all rights to file and maintain an action against Seller for specific performance and to record a Lis Pendens or notice of pendency of action against the Property if a dispute arises concerning the Agreement. Buyer agrees that the Property is not unique and in the event of Seller’s default, Buyer can be adequately and fairly compensated solely by receiving a return of Earnest Money Deposit and cancellation of Buyer’s obligation to purchase the Property. Upon return of the Earnest Money Deposit to Buyer, the Agreement shall be terminated, and Buyer and Seller irrevocably instruct the Closing Agent to return all funds and documents to the party that deposited them without further direction.

*Signature Page Follows.*

*To the maximum extent permissible under New Jersey law, Buyer expressly waives any and all claims, damages, and/or remedies related to the foregoing and attached disclosures, including but not limited to those arising from any errors, inaccuracies, and/or omissions therein.*

Dated: \_\_\_\_\_

**BUYER:**

\_\_\_\_\_  
Buyer Signature

\_\_\_\_\_  
Buyer Printed Name

Dated: \_\_\_\_\_

**CO-BUYER:**

\_\_\_\_\_  
Co-Buyer Signature

\_\_\_\_\_  
Co-Buyer Printed Name