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Rural Law Center of New York, Inc.

BUYER AND SELLER SHOULD EACH SEEK THEIR OWN SEPARATE LEGAL COUNSEL TO REVIEW THIS CONTRACT BEFORE SIGNING

SAMPLE LAND CONTRACT

THIS CONTRACT, made the _____ day of _____, _____ between

CINDY SELL and SAM SELL, her husband, residing at PO Box 291, Lawrence, New York, later referred to in this contract as “seller,” and

BRIAN BUY, later referred to in this contract as “buyer,” residing at 191 Route 9, Town of Lawrence, New York, state that because seller is the owner of real property located at 191 Route 9, Town of Lawrence, County of Saint Lawrence, State of New York, and seller wishes to sell and buyer wishes to purchase the property, seller and buyer agree as follows:

Sale of Property

Seller agrees to sell and does by this contract sell, and buyer agrees to purchase and does by this contract purchase a parcel of real estate located at 191 Route 9, Town of Lawrence, County of Saint Lawrence, State of New York, more particularly described on Schedule A which is attached to and made a part of this contract.

Sales Price

The sales price is fifty thousand dollars (\$50,000.00) payable as follows:

(1) deposit of two thousand dollars (\$2,000.00) on or before the date of the signing of this contract;

(2) the balance of forty-eight thousand dollars (\$48,000.00) to be paid in monthly payments of four hundred thirty-one dollars and forty-four cents (\$431.44), the first payment is to be made on the _____ day of _____, _____ and subsequent payments of four hundred thirty-

one dollars and forty-four cents (\$431.44) are to be made on the first (1st) day of each succeeding month, the payments to be credited first toward the payment of accrued interest at seven percent (7%) interest per year and the balance to the reduction of principal. An amortization schedule is attached and made part of this land contract.

Right to Prepay

Buyer has the right to prepay this debt or any additional sums to reduce the principal at any time without penalty.

Personal Property

The personal property described as follows is included in the purchase price. Seller states that seller is the owner of the following personal property and that no money is owed on this property. Seller states that no other party has a security interest in the following personal property. Buyer, unless otherwise specified in this contract accepts the following personal property in "as is"

Buildings

All buildings on the premises at 191 Route 9, Town of Lawrence, County of Saint Lawrence, State of New York are included in the sale. Seller states that all buildings on the premises are owned by seller.

Possession

Possession of the subject premises shall be given to buyer on the date of this agreement unless otherwise agreed by the parties.

Real Estate Taxes, Water Bills and Sewer Charges

The real estate taxes, water bills, and sewer charges shall be prorated as of the date of signing of this contract. Seller agrees to pay all the real estate taxes, water bills, and sewer charges that come due prior to the date of the signing of this contract. Seller agrees to provide proof of payment to buyer for all real estate taxes, water bills, and sewer charges. Buyer agrees to pay all the real estate taxes and assessments, water rents, and any sewer charges, that shall be taxed or assessed upon the premises from the date of the signing of this contract.

Fire and Other Insurances

Buyer agrees to insure the premises and to keep the premises insured pursuant to a standard policy against loss by fire and damage by other dangers, together with liability coverage in the standard form. The insurance policy coverage must be in an amount not less than the amount due on this contract. Buyer agrees to name seller as an additional insured on the property and to provide seller with a copy of the insurance binder.

Condemnation

In the event of the condemnation or taking by eminent domain of any interest that is the subject of this contract, buyer shall be made a party to any related proceedings, and buyer alone shall decide the amount of any award to be accepted or whether the amount of such award shall be determined by trial in the courts. The amount of such award by agreement, or after trial or otherwise, shall be paid to seller, but the amount shall be applied as an additional payment toward the remaining principal. If the amount of the award is greater than the remaining principal, seller shall pay to buyer the difference between the amount of the award and the remaining principal.

Challenging of Taxes

Buyer shall have the right to contest or review by legal proceedings or in any other manner that buyer may deem suitable, free of expense to seller, but if necessary, in the name of seller, any increase in real estate taxes or assessment with respect to any fiscal period ending after the date of this contract. In any such proceedings, seller agrees to execute the documents as may be necessary for the purpose of the contest, and buyer shall have the right to bring such proceedings in his or her own name or in the name of the seller.

Inspection

Buyer agrees that a full inspection of the premises has been made and that the seller shall not be held to any promise respecting the condition of any improvements on the premises other than what is written in this agreement. The premises are sold to buyer "as is" unless seller otherwise agrees in this contract to make repairs and/or improvements by specific dates. Seller has provided the buyer with a copy of the Property Condition Disclosure Statement which is required in the State of New York by the Property Condition Disclosure Act.

Improvements/Repairs

Seller agrees to make the following repairs and/or improvements to the property by the dates indicated. If these repairs and/or improvements are not made by the dates indicated, buyer shall be entitled to the return of the deposit of two thousand dollars (\$2,000.00), and buyer shall be entitled, but not required, to be released from the obligations under this contract.

Existing Conditions

Seller shall convey the premises subject to all covenants; conditions; restrictions; easements of record; fire and building codes; land use, zoning, and environmental protection regulations; and any state of facts which any inspection and/or accurate survey may show, provided that title is not made unmarketable by any of the above. Seller agrees to provide a copy of a professional survey map to buyer at or before the signing of this contract if such map is available.

Buyer Default

Buyer is in default in the event the monthly payment is not made within ninety (90) days of the monthly due date or in the event insurance or taxes are not paid within ninety (90) days after notice to buyer to pay the insurance or taxes.

Seller's Remedy

If buyer defaults, seller shall have the right to proceed to protect his or her legal interest using any and all available legal means. Pursuant to New York State law, seller shall not proceed on default in village, town, or city court.

Seller Default

Seller is in default if seller does not provide buyer with warranty deed within thirty (30) days of final payment. If buyer must take legal action to enforce this contract and the court decision is made in favor of buyer, seller shall be liable for buyer's attorney fees and court costs.

Transfer of Deed

Seller agrees to complete, sign and hold in escrow in his/her attorney's office, a Warranty Deed conveying a good and marketable title to the premises described in this contract, except for encumbrances that may be caused by the acts or omissions of buyer after the parties sign this contract. Seller agrees to complete and sign the following documents at the time of the signing of this contract: Combined Real Estate Transfer Tax Return and Credit Line Mortgage (TP-584), Natural Person Mortgagee Affidavit of Exemption, All Inclusive Affidavit, Real Property Transfer Report (RP-5217), Certificate of Non-foreign Status, Smoke Alarm Affidavit, Septic System Affidavit, and Water Affidavit. Seller agrees to present these documents to buyer at the time of the signing of this contract.

Seller agrees to deliver the Warranty Deed to buyer within thirty (30) days of the receipt of the final payment pursuant to this contract. The deed shall be the usual warranty deed and in proper statutory short form for recording. It shall be duly executed and acknowledged by seller at seller's expense, so as to convey to buyer the fee simple interest of the premises, free of all liens and encumbrances. An escrow agreement naming the agent and assigning custody of the signed documents will be signed by both parties.

Seller agrees to obtain at seller's expense an abstract of title covering forty (40) years showing clear and marketable title and to provide this abstract of title to buyer at or before the signing of this contract. Seller further agrees to carry out a ten-year real property tax search and to provide the results of this search to the buyer at or before the signing of this contract.

Notices

Notices, demands, or requests made between buyer and seller must be in writing and may be delivered in person or sent by first class mail to the addresses set forth on page one (1) of this

contract unless notice of an address change has been provided to the other party in writing. If seller provides written notice of a change of address to buyer, or buyer provides written notice of a change of address to seller, the updated address must be used.

Parties Bound by this Contract

This contract shall apply to and bind the heirs, executors, administrators, legal representatives, successors, and assigns of the respective parties to this contract.

Assignment

Buyer shall have the right to assign this contract or convey any of the rights in this contract.

Interpretation of Contract

This contract shall be governed by, construed, and endorsed in accordance with the laws of the State of New York. If any provision of this contract is held invalid, illegal, void or unenforceable by any rule, law, administrative order, or judicial decision, all other provisions of the contract shall remain in full force.

Modification

This contract may not be changed by simply talking about desired changes. Changes can only occur upon written agreement signed by both parties.

Smoke Detecting Alarm Devices

If the premises described in this documents contain a one- or two-family dwelling used as a residence, seller agrees that, at least five (5) days prior to delivery of the deed, an operative single station smoke detecting alarm device that complies with New York State Uniform Fire Prevention and Building Code shall be installed in each dwelling unit.

Seller's Residency

If seller is a United States resident for federal and state income tax purposes, seller shall establish by affidavit, which seller will deliver to buyer, that seller is a United States resident for federal and state income tax purposes. If seller is not a United States resident for federal and state income tax purposes, seller will arrange and pay for appropriate compliance with the certification or withholding requirements of a portion of the sale price, as contemplated by the tax law.

Entire Agreement

This contract contains all agreements of the parties to this contract. There are no promises, agreements, terms, conditions, warranties, representations, or statements, other than those contained in this contract.

Consent

Where consent of seller is required, seller must respond within thirty (30) days to any request by buyer for such consent. If seller fails to respond within thirty (30) days to buyer's request, buyer may understand that seller's consent has been granted.

Late Charge

If any payment is overdue more than fifteen (15) days, an additional charge will be due to seller to cover the cost of delay. This late charge will be ten dollars (\$10.00).

Seller's Affirmation

Seller knows of no other party who has an interest in the property that has not been disclosed to buyer in this contract.

Seller has not been divorced since acquiring the real estate and has not been known by any other name in the last ten (10) years except _____.

Seller affirms that no proceedings in bankruptcy or receivership have been instituted by or against seller within the last ten (10) years and seller has not made an assignment for the benefit of creditors, nor has any security interest that secured payment or the performance of any obligation been given by seller, or been granted, in any personal property or fixtures placed or installed on the premises.

Seller agrees not to declare bankruptcy until after the deed has been transferred to buyer.

Seller affirms there is no action pending in any state or federal court in the United States nor is there any state or federal court judgment, tax lien of any kind against seller that would constitute a lien or charge upon the real estate.

Seller affirms there are no delinquent real estate taxes, or water and sewer charges owing.

Seller affirms that no labor, service, or materials have been furnished for the improvement of the real estate during the last eight months, or if such labor, service, or materials have been furnished, payment for the improvements has been made in full.

Seller agrees not to borrow any money against the property.

Seller agrees to take all actions to prevent any lien being placed against the property.

Seller agrees that if any lien or judgment is placed on the property pursuant to any action brought against seller, seller shall discharge the lien or judgment before final payment is made or reduce the purchase price by the amount of the lien or judgment.

Recording

The parties agree that this contract shall be recorded in the County Clerk's Office along with all other required documents. Parties further agree to take whatever steps necessary to complete the documents required for filing.

The parties have duly executed this land contract.

Cindy Sell, Seller

Sam Sell, Seller

Brian Buy, Buyer

State of New York)
) ss.:
County of _____)

On the ____ day of _____ in the year _____, before me, the undersigned, a notary public in and for the State of New York, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

Signature of Notary Public

State of New York)
) ss.:
County of _____)

On the ____day of _____ in the year _____, before me, the undersigned, a notary public in and for the State of New York, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person on behalf of which the individual(s) acted, executed the instrument.

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