

N.J.S.A. 45:22A-37

45:22A-37. Untruth, omission or misleading statement by developer; liability; persons liable; invalidity of agreement by purchaser to waive compliance with act

- a. Any developer disposing of real property subject to this act, who shall violate any of the provisions of section 6 hereof,¹ or who in disposing of such property makes an untrue statement of material fact or omits a material fact from any application for registration, or amendment thereto, or from any public offering statement, or who makes a misleading statement with regard to such disposition, shall be liable to the purchaser for double damages suffered, and court costs expended, including reasonable attorney's fees, unless in the case of an untruth, omission, or misleading statement such developer sustains the burden of proving that the purchaser knew of the untruth, omission or misleading statement, or that he did not rely on such information, or that the developer did not know and in the exercise of reasonable care could not have known of the untruth, omission, or misleading statement.
- b. The court may, in addition to remedies provided herein, frame such other relief as may be appropriate under the circumstances. If the purchaser shall fail in establishing a cause of action, and the court further determines that the action was wholly without merit, the court may award attorney's fees to the developer.
- c. Every person who directly or indirectly controls a development or developer liable under subsection a., every general partner, officer, or director of a developer, and every person occupying a similar status or performing a similar function, shall also be liable jointly and severally with and to the same extent as such developer, unless the person otherwise liable sustains the burden of proof that he did not know and in the exercise of reasonable care could not have known of the existence of the facts by reason of which the liability is alleged to exist. There is a right to contribution as in cases of contract among persons so liable.
- d. A person may not recover under this section in actions commenced more than 6 years after his first payment of money to the developer in the contested transaction.
- e. Any stipulation or provision purporting to bind any purchaser acquiring a parcel, lot, unit, or interest, in any development subject to the provisions of this act, or any rule, regulation, or order promulgated thereunder, to a waiver of compliance with said provisions, shall be void.

Credits

L.1977, c. 419, § 17, eff. Nov. 22, 1978.

Footnotes

¹

N.J.S.A. § 45:22A-26.

Current with laws through L.2019, c. 35

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