



REGIONAL SALES CONTRACT

This SALES CONTRACT ("Contract") is made on \_\_\_\_\_, 2009 ("Contract Date") between the undersigned \_\_\_\_\_ ("Purchaser") and Jeffrey and Terri L Annis ("Seller") who, among other things, hereby confirm and acknowledge by their initials and signatures herein that by prior disclosure in this real estate transaction Jeff Annis Real Estate LLC ("Listing Company") represents Seller, and Jeff Annis Real Estate LLC ("Selling Company") represents ~~Purchaser~~  Seller. The Listing Company and Selling Company are collectively referred to as ("Broker"). (If the brokerage firm is acting as a dual representative for both Seller and Purchaser, then the appropriate disclosure form is attached to and made a part of this Contract.) In consideration of the mutual promises and covenants set forth below, and other good and valuable consideration the receipt and sufficiency of which is acknowledged, the parties agree as follows:

1. **REAL PROPERTY** Purchaser will buy and Seller will sell for the sales price ("Sales Price"), Seller's entire interest in the real property (with all improvements, rights and appurtenances) described as follows ("Property"):

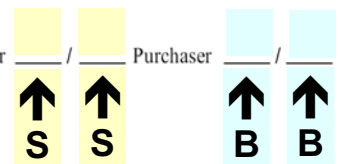
TAX Map/ID # 00440405 Legal Description: Lot(s) 13 & Pt 14 Block/Square H  
Section \_\_\_\_\_ Subdivision or Condominium Battery Park  
Parking Space(s) # \_\_\_\_\_ County/Municipality Montgomery  
Deed Book/Liber # 5219 Goddard Road Page/Folio # \_\_\_\_\_  
Street Address \_\_\_\_\_  
Unit # \_\_\_\_\_ City Bethesda State MD Zip Code 20814-1303

2. **PRICE AND FINANCING**

A. **Down Payment** \$ 25%  
B. **Financing**  
1. First Trust (if applicable) \$ 75%  
2. Second Trust (if applicable) \$ --  
3. Seller Held Trust \$ --  
Addendum attached (if applicable)  
**TOTAL FINANCING** \$ 75%  
**SALES PRICE** \$ 1,249,421

3. **DEED(S) OF TRUST**

A. **First Deed of Trust** Purchaser will  Obtain or  Assume a  Conventional  FHA  VA  Other \_\_\_\_\_ First Deed of Trust loan amortized over 30 years at a  Fixed or an  Adjustable rate bearing (initial) interest of market % per year or market rate available. Special Terms (if any): \_\_\_\_\_



**B. Second Deed of Trust** Purchaser will  Obtain or  Assume a Second Deed of Trust loan amortized over \_\_\_\_\_ years at a  Fixed or an  Adjustable rate bearing (initial) interest of \_\_\_\_\_ % per year or market rate available. Special Terms (if any): \_\_\_\_\_

**C. Assumption Only** Assumption fee, if any, and all charges related to the assumption will be paid by the Purchaser. If Purchaser assumes Seller's loan(s): (i) Purchaser and Seller  will, or  will not obtain a release of Seller's liability to the U.S. Government for the repayment of the loan by Settlement, (ii) Purchaser and Seller  will, or  will not obtain substitution of Seller's VA entitlement by Settlement. Balances of any assumed loans, secondary financing and cash down payments are approximate.

**4. DEPOSIT**

**A.** Purchaser has delivered a deposit ("Deposit") to Jeff Annis Real Estate LLC ("Escrow Agent") of  \$ 5% check and/or  \$ \_\_\_\_\_ by note due and payable on \_\_\_\_\_.

**B.** The Deposit will be placed in an escrow account of the Escrow Agent after Date of Ratification in conformance with the laws and regulations of the appropriate jurisdiction and/or, if VA financing applies, as required by Title 38 of the U.S. Code. This account may be interest bearing and all parties waive any claim to interest resulting from the Deposit. The Deposit will be held in escrow until: (i) Credited toward the Sales Price at Settlement; (ii) All parties have agreed in writing as to its disposition; (iii) A court of competent jurisdiction orders disbursement and all appeal periods have expired; or, (iv) Disposed of in any other manner authorized by the laws and regulations of the appropriate jurisdiction. Seller and Purchaser agree that Escrow Agent will have no liability to any party on account of disbursement of the Deposit or on account of failure to disburse the Deposit, except in the event of the Escrow Agent's gross negligence or willful misconduct.

**5. DOWN PAYMENT** The balance of the down payment will be paid on or before the Settlement Date by certified or cashier's check or by bank-wired funds. An assignment of funds shall not be used without prior written consent of Seller.

**6. SETTLEMENT** Seller and Purchaser will make full settlement in accordance with the terms of this Contract ("Settlement") on, or with mutual consent before, May 28, 2009, ("Settlement Date") except as otherwise provided in this Contract. Purchaser selects: a settlement company to be selected by the Purchaser ("Settlement Agent") to conduct the Settlement.

(For transactions in Virginia, use the Virginia Jurisdictional Addendum to select the Settlement Agent.) Either party may retain their own legal counsel. Purchaser agrees to contact the Settlement Agent within 10 Days after the Date of Ratification to schedule Settlement and to arrange for ordering the title exam and, if required, a survey.

**7. EQUIPMENT, MAINTENANCE AND CONDITION** Purchaser accepts the Property in the condition as of the Contract Date except as otherwise provided herein. Seller warrants that, except as otherwise provided, the existing appliances, heating, cooling, plumbing, electrical systems and equipment, and smoke and heat detectors (as required), will be in normal working order as of the Possession Date. Seller will deliver the Property in substantially the same condition as on the Contract Date and broom clean with all trash and debris removed. Purchaser and Seller will not hold the Broker liable for any breach of this paragraph. Seller will have all utilities in service through Settlement or as otherwise agreed.

**8. UTILITIES - WATER, SEWAGE, HEATING AND CENTRAL AIR CONDITIONING** (Check all that apply)

Water Supply:  Public  Private Well  Community Well  
 Sewage Disposal:  Public  Septic for # BR \_\_\_\_\_  Community Septic  Alternative Septic for # BR: \_\_\_\_\_  
 Hot Water:  Oil  Gas  Elec.  Other \_\_\_\_\_  
 Air Conditioning:  Oil  Gas  Elec.  Heat Pump  Other \_\_\_\_\_  Zones 2  
 Heating:  Oil  Gas  Elec.  Heat Pump  Other \_\_\_\_\_  Zones 7

**9. PERSONAL PROPERTY AND FIXTURES** The Property includes the following existing personal property and fixtures: built-in heating and central air conditioning equipment, plumbing and lighting fixtures, sump pump, attic and exhaust fans, storm windows, storm doors, screens, installed wall-to-wall carpeting, window shades, blinds, window treatment hardware, smoke and heat detectors, TV antennas, exterior trees and shrubs. Unless otherwise agreed to in writing, all surface or wall mounted electronic components/devices **DO NOT** convey. If more than one of an item convey, the number of items is noted.

The items marked YES below are currently installed or offered. See attached Inclusions/Exclusions Addendum

Yes	No	#	Items	Yes	No	#	Items	Yes	No	#	Items
<input type="checkbox"/>	<input type="checkbox"/>	_____	Alarm System	<input type="checkbox"/>	<input type="checkbox"/>	_____	Freezer	<input type="checkbox"/>	<input type="checkbox"/>	_____	Satellite Dish
<input type="checkbox"/>	<input type="checkbox"/>	_____	Built-in Microwave	<input type="checkbox"/>	<input type="checkbox"/>	_____	Furnace Humidifier	<input type="checkbox"/>	<input type="checkbox"/>	_____	Storage Shed
<input type="checkbox"/>	<input type="checkbox"/>	_____	Ceiling Fan	<input type="checkbox"/>	<input type="checkbox"/>	_____	Garage Opener	<input type="checkbox"/>	<input type="checkbox"/>	_____	Stove or Range
<input type="checkbox"/>	<input type="checkbox"/>	_____	Central Vacuum	<input type="checkbox"/>	<input type="checkbox"/>	_____	w/ remote	<input type="checkbox"/>	<input type="checkbox"/>	_____	Trash Compactor
<input type="checkbox"/>	<input type="checkbox"/>	_____	Clothes Dryer	<input type="checkbox"/>	<input type="checkbox"/>	_____	Gas Log	<input type="checkbox"/>	<input type="checkbox"/>	_____	Wall Oven
<input type="checkbox"/>	<input type="checkbox"/>	_____	Clothes Washer	<input type="checkbox"/>	<input type="checkbox"/>	_____	Hot Tub, Equip. & Cover	<input type="checkbox"/>	<input type="checkbox"/>	_____	Water Treatment System
<input type="checkbox"/>	<input type="checkbox"/>	_____	Cooktop	<input type="checkbox"/>	<input type="checkbox"/>	_____	Intercom	<input type="checkbox"/>	<input type="checkbox"/>	_____	Window A/C Unit
<input type="checkbox"/>	<input type="checkbox"/>	_____	Dishwasher	<input type="checkbox"/>	<input type="checkbox"/>	_____	Playground Equipment	<input type="checkbox"/>	<input type="checkbox"/>	_____	Window Fan
<input type="checkbox"/>	<input type="checkbox"/>	_____	Disposer	<input type="checkbox"/>	<input type="checkbox"/>	_____	Pool, Equip. & Cover	<input type="checkbox"/>	<input type="checkbox"/>	_____	Window Treatments
<input type="checkbox"/>	<input type="checkbox"/>	_____	Electronic Air Filter	<input type="checkbox"/>	<input type="checkbox"/>	_____	Refrigerator	<input type="checkbox"/>	<input type="checkbox"/>	_____	Wood Stove
<input type="checkbox"/>	<input type="checkbox"/>	_____	Fireplace Screen/Door	<input type="checkbox"/>	<input type="checkbox"/>	_____	w/ ice maker				

**OTHER** All items described in attached MRIS listing report and/or brochure. and/or see attached Inclusions/Exclusions Addendum.

**AS IS ITEMS**

Seller does not warrant the condition or working order of the following items and/or systems:

See attached Inclusions/Exclusions Addendum for list of AS IS ITEMS

If entire Property is sold "As Is", appropriate addendum must be attached.

**LEASED ITEMS**

Any leased items, systems or service contracts (including, but not limited to, fuel tanks, water treatment systems, lawn contracts, security system monitoring, and satellite contracts) DO NOT CONVEY absent an express written agreement by Purchaser and Seller. The following is a list of the leased items within the Property:

See attached Inclusions/Exclusions Addendum for list of LEASED ITEMS

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**10. CONVENTIONAL FINANCING TERMS**

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**A. SELLER SUBSIDY** Based on the financing terms specified in this Contract, Seller will pay at Settlement \$ \_\_\_\_\_ toward Purchaser's charges, (including but not limited to loan origination fees, discount fees, buy down or subsidy fees, prepaids or other charges as allowed by the lender). Purchaser will pay all remaining Purchaser's charges. If applicable, Purchaser will pay at Settlement or finance any initial private mortgage insurance required by lender. It is Purchaser's responsibility to confirm with his lender, if applicable, that the entire credit provided herein may be utilized. If lender prohibits Seller from the payment of any portion of this credit, then said credit shall be reduced to the amount allowed by the lender.

**B. APPRAISAL (Must Select Option 1 or 2)**

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**Option (1)** This Contract is **contingent** on Purchaser obtaining an Appraisal certifying the value of the Property to be no less than the Sales Price. See Attached Addendum. **If the appropriate Appraisal Contingency Addendum is not attached, this Contract is not contingent on an Appraisal and Option (2) below will apply.**

**OR**

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**Option (2)** This Contract is **not contingent** on an Appraisal. Purchaser shall complete Settlement without regard to the value of the Property set forth in any Appraisal and acknowledges that this may reduce the amount of financing available from lender and may require Purchaser to tender additional funds at Settlement. If Purchaser fails to settle except due to any Default by Seller, then the provisions of paragraph #26 (Default) shall apply.

**C. FINANCING (Must Select Option 1 or 2) Not to be used with Seller Financing**

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**Option (1)** This Contract is **contingent** on Purchaser obtaining approval for loan(s) to purchase the Property (The "Financing Contingency").

This Contract is contingent until 9 p.m. \_\_\_\_\_ Days after Date of Ratification ("Financing Deadline") upon Purchaser Delivering Notice to Seller on the Regional Form #100 removing this Financing Contingency. Such Notice  shall or  shall not be accompanied by a letter from the lender ("Lender's Letter"). Such Lender's Letter shall include the following statements or statements substantially similar thereto:

- 1) Purchaser is approved for the Specified Financing,
- 2) a ratified Contract has been received,
- 3) a written application for the financing has been made,
- 4) income, asset, and liability documentation on Purchaser have been received,
- 5) Purchaser's credit has been reviewed, and
- 6) the application has been reviewed and meets underwriter and investor guidelines.

If Purchaser fails to Deliver Regional Form #100 and Lender's Letter (if required) by the Financing Deadline, this contingency will continue, unless Seller at Seller's option gives Notice to Purchaser that this Contract will become void. If Seller Delivers such Notice this Contract will become void at 9 p.m. on the third day following Delivery of Seller's Notice unless prior to that date and time:

- a) Purchaser Delivers to Seller Regional Form #100 and Lender's Letter (if required); or
- b) Purchaser Delivers to Seller Regional Form #100 and provides Seller with evidence of sufficient funds available to complete Settlement without obtaining financing.

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Upon Delivery to Seller of either (a) or (b) above, this Contract will no longer be contingent on Purchaser being approved for the Specified Financing and this Contract will remain in full force and effect.

Prior to satisfaction or removal of the Financing Contingency, if Purchaser receives a written rejection for the Specified Financing and Delivers a copy of the written rejection to Seller, this Contract will become void.

OR



**Option (2)** This Contract is **not contingent** upon Purchaser obtaining approval for loan(s) to purchase the Property. Purchaser acknowledges that there is not a Financing Contingency. Purchaser has provided sufficient documentation to satisfy Seller that Purchaser has been approved for the Specified Financing or has sufficient funds available to complete Settlement without obtaining financing. If Purchaser fails to settle except due to any Default by Seller, then the provisions of paragraph #26 (DEFAULT) shall apply.

11.  **VA or**  **FHA FINANCING AND APPRAISAL**

FHA Addendum Attached?  Yes  No      If yes, see attached FHA Addendum

VA Addendum Attached?  Yes  No      If yes, see attached VA Addendum

12. **FINANCING APPLICATION** If this Contract is contingent on financing, Purchaser will make written application for the Specified Financing and any lender required property insurance no later than 7 days after the Date of Ratification. Purchaser grants permission for the Selling Company and the lender to disclose to the Listing Company and the Seller general information available about the progress of the loan application and loan approval process. If Purchaser fails to settle except due to any Default by Seller, then the provisions of paragraph #26 (DEFAULT) shall apply.

13. **ALTERNATE FINANCING** Purchaser may substitute alternative financing and/or an alternative lender for Specified Financing provided:

- (a) Purchaser is qualified for alternative financing;
- (b) There is no additional expense to Seller;
- (c) The Settlement Date is not delayed; and
- (d) If Purchaser fails to settle except due to any Default by Seller, then the provisions of paragraph #26 (DEFAULT) shall apply.

14. **PURCHASER'S REPRESENTATIONS** Purchaser  **will**, or  **will not** occupy the Property as Purchaser's principal residence. **Unless specified in a written contingency, neither this Contract nor the financing is dependent or contingent on the sale and settlement or lease of other real property.** The Selling Company  **is**, or  **is not** authorized to disclose to the Listing Company and Seller the appropriate financial or credit information statement provided to the Selling Company by Purchaser. Purchaser acknowledges that Seller is relying upon all of Purchaser's representations, including without limitation, the accuracy of financial or credit information given to Seller, Broker or the lender by Purchaser.

15. **ACCESS TO PROPERTY** Seller will provide ~~the~~ Broker, ~~x~~Purchaser, inspectors representing Purchaser and representatives of lending institutions for Appraisal purposes, reasonable access to the Property to comply with this Contract. In addition, Purchaser and/or Purchaser's representative will have the right to make a final ~~ix~~ inspection within 5 days prior to Settlement and/or occupancy, unless otherwise agreed to by Purchaser and Seller.

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**16. TERMITE INSPECTION** The  Purchaser at Purchaser's expense or  Seller at Seller's expense, will furnish a written report from a pest control firm dated not more than 30 days prior to Settlement showing that all dwelling(s) and/or garage(s) within the Property (excluding fences or shrubs not abutting garage(s) or dwelling(s)) are free of visible evidence of active termites and other wood-destroying insects, and free from visible structural insect damage. Any extermination and structural repairs identified in the inspection report will be made at Seller's expense.

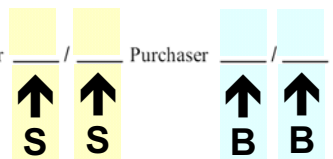
**17. REPAIRS** If, as a condition of providing financing under this Contract, the lender requires repairs to be made to the Property, then Purchaser will give Notice to Seller of the lender's required repairs. Within 5 Days after such Notice, Seller will give Notice to Purchaser as to whether Seller will make the repairs. If Seller will not make the repairs, Purchaser will give Notice to Seller within 5 Days after Seller's Notice as to whether Purchaser will make the repairs. If neither Seller nor Purchaser will make the repairs, then this Contract will become void. This clause will not release Seller from any responsibilities set forth in the paragraphs titled UTILITIES; PERSONAL PROPERTY AND FIXTURES; EQUIPMENT, MAINTENANCE AND CONDITION; WELL AND SEPTIC; TERMITE INSPECTION; or OTHER TERMS, or any terms specifically set forth in this Contract and any addenda. If the Property is sold "as is", Purchaser will be responsible for all repairs.

**18. DAMAGE OR LOSS** The risk of damage or loss to the Property by fire, act of God, or other casualty remains with Seller until the execution and delivery of the deed of conveyance to Purchaser at Settlement.

**19. TITLE** The title report and survey, if required, will be ordered promptly and, if not available on the Settlement Date, then Settlement may be delayed for up to 10 business days to obtain the title report and survey after which this Contract, at the option of Seller, may be terminated and the Deposit will be refunded in full to Purchaser according to the terms of the DEPOSIT paragraph. Fee simple title to the Property, and everything that conveys with it, will be sold free of liens except for any loans assumed by Purchaser. Title is to be good and marketable, and insurable by a licensed title insurance company with no additional risk premium. Title may be subject to commonly acceptable easements, covenants, conditions and restrictions of record, if any; otherwise, Purchaser may declare this Contract void, unless the defects are of such character that they may be remedied within 30 Days beyond the Settlement Date. In case action is required to perfect the title, such action must be taken promptly by Seller at Seller's expense. The Broker is hereby expressly released from all liability for damages by reason of any defect in the title. Seller will convey the Property by general warranty deed with English covenants of title (Virginia); general warranty deed (West Virginia); special warranty deed (D.C. and Maryland) ("Deed"). Seller will sign such affidavits, lien waivers, tax certifications, and other documents as may be required by the lender, title insurance company, Settlement Agent, or government authority, and authorizes the Settlement Agent to obtain pay-off or assumption information from any existing lenders. The manner of taking title may have significant legal and tax consequences. Purchaser is advised to seek the appropriate professional advice concerning the manner of taking title. Unless otherwise agreed to in writing, Seller will pay any special assessments and will comply with all orders, requirements, or notices of violations of any county or local authority, condominium unit owners' association, homeowners' or property owners' association or actions in any court on account thereof, against or affecting the Property on the Settlement Date.

**20. POSSESSION DATE** Unless otherwise agreed to in writing between Seller and Purchaser, Seller will give possession of the Property at Settlement, including delivery of keys, if any. If Seller fails to do so and occupies the Property beyond Settlement, Seller will be a tenant at sufferance of Purchaser and hereby expressly waives all notice to quit as provided by law. Purchaser will have the right to proceed by any legal means available to obtain possession of the Property. Seller will pay any damages and costs incurred by Purchaser including reasonable attorney fees.

**21. FEES** Fees for the preparation of the Deed, that portion of the Settlement Agent's fee billed to Seller, costs of releasing existing encumbrances, Seller's legal fees and any other proper charges assessed to Seller will be paid by Seller. Fees for the title exam (except as otherwise provided) survey, recording (including those for any purchase money trusts) and that portion of the Settlement Agent's fee billed to Purchaser, Purchaser's legal fees and any other proper charges assessed to Purchaser will be paid by Purchaser. Fees to be charged will be reasonable and customary for the jurisdiction in which the Property is located. (Recording, Transfer and Grantor's Taxes are covered in the appropriate jurisdictional addenda).

The initials are placed in a grid. The first two columns are for the Seller, with yellow boxes containing the letter 'S' and an upward-pointing arrow. The last two columns are for the Purchaser, with light blue boxes containing the letter 'B' and an upward-pointing arrow.

**22. BROKER'S FEE** Seller irrevocably instructs the Settlement Agent to pay the Broker compensation ("Broker's Fee") at Settlement as set forth in the listing agreement and to disburse the compensation offered by the Listing Company to the Selling Company in writing as of the Contract Date, and the remaining amount of Broker's compensation to the Listing Company.

**23. ADJUSTMENTS** Rents, taxes, water and sewer charges, front foot benefit and house connection charges, condominium unit owners' association, homeowners' and/or property owners' association regular periodic assessments (if any) and any other operating charges, are to be adjusted to the day of Settlement. Any heating or cooking fuels remaining in supply tank(s) at Settlement will become the property of Purchaser, unless leased. Taxes, general and special, are to be adjusted according to the certificate of taxes issued by the collector of taxes, if any, except that recorded assessments for improvements completed prior to Settlement, whether assessments have been levied or not, will be paid by Seller or allowance made at Settlement. If a loan is assumed, interest will be adjusted to the Settlement Date and Purchaser will reimburse Seller for existing escrow accounts, if any.



**24. ATTORNEY'S FEES** In any action or proceeding involving a dispute between Purchaser and Seller arising out of this Contract, the prevailing party will be entitled to receive from the other party reasonable attorney's fees to be determined by the court or arbitrator(s). In the event a dispute arises resulting in the Broker being made a party to any litigation or if the Broker is required to bring litigation to collect the Broker's Fee, Purchaser and Seller agree to indemnify the Broker, it's employees, and/or licensees for all attorney fees and costs of litigation against the responsible party, unless the litigation results in a judgment against the Broker, its employees and/or licensees.



**25. PERFORMANCE** Delivery of the required funds and executed documents to the Settlement Agent will constitute sufficient tender of performance. Funds from this transaction at Settlement may be used to pay off any existing liens and encumbrances, including interest, as required by lender(s) or lienholders.

**26. DEFAULT** Purchaser will be in Default even if the Financing Contingency has not been removed if Settlement does not occur on the Settlement Date for any reason other than Default by Seller, including without limitation the following:

- A. Failure to lock-in the interest rate(s) and the rate(s) increase so that Purchaser does not qualify for such financing; OR
- B. Failure to comply with the lender's reasonable requirements in a timely and diligent manner; OR
- C. Application is made with an alternative lender (one other than the lender who provided Lender's Letter) and the alternative lender fails to meet the Settlement Date; OR
- D. Does not have the down payment, closing fees and any other required funds, including without limitation, any additional funds required to be tendered by Purchaser if the Appraisal is lower than the Sales Price; OR
- E. Makes any deliberate misrepresentations, material omissions or inaccuracies in financial information that results in the Purchaser's inability to secure the financing; OR
- F. Failure to make application for property insurance, if required, by lender within 7 days of Date of Ratification; OR
- G. Does or fails to do any act following the Date of Ratification that prevents Purchaser from completing Settlement.

If Purchaser fails to complete Settlement for any reason other than Default by Seller, at the option of Seller, the Deposit may be forfeited as liquidated damages (not as a penalty) in which event Purchaser will be relieved from further liability to Seller. If Seller does not elect to accept the Deposit as liquidated damages, the Deposit may not be the limit of Purchaser's liability in the event of a Default. If the Deposit is forfeited, or if there is an award of damages by a court or a compromise agreement between Seller and Purchaser, the Broker may accept and Seller agrees to pay the Broker one-half of the Deposit in lieu of the Broker's Fee, (provided Broker's share of any forfeited Deposit will not exceed the amount due under the listing agreement). If Seller fails to perform or comply with any of the terms and conditions of this Contract or fails to complete Settlement for any reason other than Default by Purchaser, Purchaser will have the right to pursue all legal or equitable remedies, including specific performance and/or damages. If either Seller or Purchaser refuses to execute a release of Deposit ("Release") when requested to do so in writing and a court finds that such party should have executed the Release, the party who so refused to execute the Release will pay the expenses, including, without limitation, reasonable attorney's fees, incurred by the other party in the litigation. Seller and Purchaser agree that no Escrow Agent will have any liability to any party on account of disbursement of the Deposit or on account of failure to disburse the Deposit, except only in the event of the Escrow Agent's gross negligence or willful misconduct. The parties further agree

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that the Escrow Agent will not be liable for the failure of any depository in which the Deposit is placed and that Seller and Purchaser each will indemnify, defend and save harmless the Escrow Agent from any loss or expense arising out of the holding, disbursement or failure to disburse the Deposit, except in the case of the Escrow Agent's gross negligence or willful misconduct. If either Purchaser or Seller is in default, then in addition to all other damages, the defaulting party will immediately pay the costs incurred for the title examination, Appraisal, survey and the Broker's Fee in full.

**27. OTHER DISCLOSURES** Purchaser and Seller should carefully read this Contract to be sure that the terms accurately express their respective understanding as to their intentions and agreements. The Broker can counsel on real estate matters, but if legal advice is desired by either party, such party is advised to seek legal counsel. Purchaser and Seller are further advised to seek appropriate professional advice concerning the condition of the Property or tax and insurance matters. The following provisions of this paragraph disclose some matters which the parties may investigate further. These disclosures are not intended to create a contingency. Any contingency must be specified by adding appropriate terms to this Contract. The parties acknowledge the following disclosures:

**A. PROPERTY CONDITION** See paragraph #7 (EQUIPMENT, MAINTENANCE AND CONDITION) Various inspection services and home warranty insurance programs are available. The Broker is not advising the parties as to certain other issues, including without limitation: water quality and quantity (including but not limited to, lead and other contaminants;) sewer or septic; soil condition; flood hazard areas; possible restrictions of the use of the Property due to restrictive covenants, zoning, subdivision, or environmental laws, easements or other documents; airport or aircraft noise; planned land use, roads or highways; and construction materials and/or hazardous materials, including without limitation flame retardant treated plywood (FRT), radon, urea formaldehyde foam insulation (UFFI), mold, polybutylene pipes, synthetic stucco (EIFS), underground storage tanks, asbestos and lead-based paint. Information relating to these issues may be available from appropriate government authorities.

**B. LEGAL REQUIREMENTS** All contracts for the sale of real property must be in writing to be enforceable. Upon ratification and Delivery, this Contract becomes a legally binding agreement. Any changes to this Contract must be made in writing for such changes to be enforceable.

**C. FINANCING** Mortgage rates and associated charges vary with financial institutions and the marketplace. Purchaser has the opportunity to select the lender and the right to negotiate terms and conditions of the financing subject to the terms of this Contract. The financing may require substantial lump sum (balloon) payments on the due dates. Purchaser has not relied upon any representations regarding the future availability of mortgage money or interest rates for the refinancing of any such lump sum payments.

**D. BROKER** Purchaser and Seller acknowledge that the Broker is being retained solely as a real estate agent and not as an attorney, tax advisor, lender, appraiser, surveyor, structural engineer, mold or air quality expert, home inspector or other professional service provider. The Broker may from time to time engage in the general insurance, title insurance, mortgage loan, real estate settlement, home warranty and other real estate-related businesses and services. Therefore, in addition to the Broker's Fee specified herein, the Broker may receive compensation related to other services provided in the course of this transaction pursuant to the terms of a separate agreement/disclosure.

**E. PROPERTY TAXES** Your property tax bill could substantially increase following settlement. For more information on property taxes contact the appropriate taxing authority in the jurisdiction where the Property is located.

**F. PROPERTY INSURANCE** Obtaining property insurance is typically a requirement of the lender in order to secure financing. Insurance rates and availability are determined in part by the number and nature of claims and inquiries made on a property's policy as well as the number and nature of claims made by a prospective Purchaser. Property insurance has become difficult to secure in some cases. Seller should consult an insurance professional regarding maintaining and/or terminating insurance coverage.

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**28. ASSIGNABILITY** This Contract may not be assigned without the written consent of Purchaser and Seller. If Purchaser and Seller agree in writing to an assignment of this Contract, the original parties to this Contract remain obligated hereunder until Settlement.

**29. DEFINITIONS**

- A. "Appraisal" means a written appraised valuation of the Property.
- B. "Day(s)" or "day(s)" means calendar day(s) unless otherwise specified in this Contract. For the purpose of computing time periods, the first Day will be the Day following Delivery and the time period will end at 9 p.m. on the Day specified. If the Settlement Date falls on a Saturday, Sunday, or legal holiday, then the Settlement will be on the prior business day.
- C. "Date of Ratification" means the date of final acceptance in writing of all the terms of this Contract (not the date of expiration or removal of any contingencies).
- D. For "Delivery" and "Notices" definitions, see appropriate Jurisdictional Addendum.
- E. "Specified Financing" means the loan type(s) and amount(s), if any, specified in both paragraph #2 (PRICE AND FINANCING) and paragraph #3 (DEEDS OF TRUST).
- F. The masculine includes the feminine and the singular includes the plural.
- G. "Possession Date" - See paragraph #20 (POSSESSION DATE).

**30. MISCELLANEOUS** This Contract may be signed in one or more counterparts, each of which is deemed to be an original, and all of which together constitute one and the same instrument. Documents obtained via facsimile machines will also be considered as originals. Typewritten or handwritten provisions included in this Contract will control all pre-printed provisions that are in conflict.

**31. VOID CONTRACT** If this Contract becomes void and of no further force and effect, without Default by either party, both parties will immediately execute a release directing that the Deposit be refunded in full to Purchaser according to the terms of the paragraph # 4 (DEPOSIT).

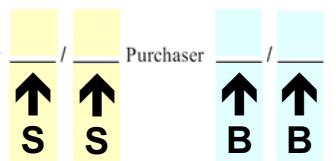
**32. ADDITIONS** The following forms, if ratified and attached, are made a part of this Contract. (This list is not all inclusive of addenda that may need to be attached).

<input checked="" type="checkbox"/> Yes	Jurisdictional Addendum for:	<input type="checkbox"/> DC	<input type="checkbox"/> VA	<input checked="" type="checkbox"/> MD/County <u>Montgomery</u>	
		<input type="checkbox"/> WVA		<input type="checkbox"/> Other _____	
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Addendum of Clauses (DC/MD)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Lead Based Paint Inspection Contingency
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Contingency Clauses (NVAR)	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Pre-Settlement Occupancy
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Condo/Coop Addendum	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Post-Settlement Occupancy
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Dual Agency Form	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Property Disclosure or Disclaimer
<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Designated Agency Form	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Radon Testing Contingency
<input type="checkbox"/> Yes	<input type="checkbox"/> No	FHA Home Inspection Notice	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Sale of Home Contingency
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Home Inspection Contingency	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Seller Held Trust
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Lead Based Paint Disclosure	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	Well and Septic Contingency
<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	Other (specify): <u>MRIS Full Listing, MRIS Full Tax Record, Property Marketing Brochure, Real Property Estimated Real Property Tax and Other Non-tax Charges, Plat</u>			

**33. HOME WARRANTY**  Yes  No

Home Warranty Policy paid for and provided at Settlement by:  Purchaser or  Seller.

Cost not to exceed \$ \_\_\_\_\_ . Warranty provider to be \_\_\_\_\_ .



**34. OTHER TERMS** Seller shall remain in the property for 59 days after settlement at no cost to Seller. Within 15 days after the date of contract ratification, Buyer shall pay to Seller \$100,000. This payment shall become the property of the Seller, and shall not be returned to the Buyer under any circumstances. This payment shall be applied to the Sales Price at settlement. Failure by Buyer to make this payment to Seller is a default of the contract. Buyer acknowledges that Buyer has had the opportunity to have this contract reviewed by Buyer's attorney.

**35. ENTIRE AGREEMENT** This Contract will be binding upon the parties, and each of their respective heirs, executors, administrators, successors and permitted assigns. The provisions not satisfied at Settlement will survive the delivery of the deed and will not be merged therein. This Contract, unless amended in writing, contains the final and entire agreement of the parties and the parties will not be bound by any terms, conditions, oral statements, warranties or representations not herein contained. The interpretation of this Contract will be governed by the laws of the jurisdiction where the Property is located.

To be signed by purchaser and delivered in counterpart only after receipt of all required lead paint disclosures

**SELLER:**

**PURCHASER:**



**S** → [ ] / [ ] (SEAL) \_\_\_\_\_ / \_\_\_\_\_ (SEAL) ← **B**  
 Date Signature Date Signature

**S** → [ ] / [ ] (SEAL) \_\_\_\_\_ / \_\_\_\_\_ (SEAL) ← **B**  
 Date Signature Date Signature

**Date of Ratification** see paragraph #29 (DEFINITIONS) \_\_\_\_\_

**For information purposes only:**

Listing Company's Name and Address: Jeff Annis Real Estate LLC 5219 Goddard Rd Bethesda, MD 20814	Selling Company's Name and Address: Jeff Annis Real Estate LLC 5219 Goddard Rd Bethesda MD 20814
Office # 301-654-2500 FAX # 202-318-4322	Office # 301-654-2500 FAX # 202-318-4322
MRIS Broker Code and Office ID JARE01	MRIS Broker Code and Office ID JARE01
Agent Name Jeff Annis 312573 MD	Agent Name Jeff Annis 312573 MD
Real Estate License Number & Jurisdiction	Real Estate License Number & Jurisdiction
Agent MRIS ID# 1114	Agent MRIS ID# 1114
Team Leader/Agent _____	Team Leader/Agent _____
Agent Email Address JeffAnnis@Realtor.com	Agent Email Address JeffAnnis@Realtor.com

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### Addendum of Clauses

(For use with either the Maryland Association of REALTORS® (MAR) Residential Contract of Sale or the Regional Sales Contract)

The Contract of Sale dated \_\_\_\_\_, 2009, Address 5219 Goddard Road  
City Bethesda, State MD, Zip 20814-1303 between  
Seller Jeffrey and Terri L Annis and  
Buyer the undersigned is  
hereby amended by the incorporation of this Addendum, which shall supersede any provisions to the contrary in the Contract.

It is expressly provided that only the numbered paragraphs which are checked and initialed by all Parties shall be made a part of said contract. TIME IS OF THE ESSENCE WITH REGARD TO EACH PROVISION OF THIS ADDENDUM WHICH CONTAINS TIMEFRAMES.

B →   
S →

**1. HOME INSPECTION CONTINGENCY:** This Contract is contingent until 9 p.m. on the 10th Day after the Date of Ratification ("Deadline") for inspections of the property, not including radon or lead-based paint inspections, which require separate contingencies, by the Buyer, a home inspection firm and/or other representative(s) at the Buyer's discretion and expense. The Seller will have all utilities in service at the time of inspection(s). This contingency will terminate at the Deadline unless by the Deadline the Buyer Delivers to the Seller either **A or B:**

**A.** A copy of the report(s) from the inspection(s) of the property together with a Home Inspection Notice (see recommended GCAAR Form #1344) listing home inspection conditions or items that the Buyer requires the Seller to repair, and/or stipulating a dollar credit, as allowed by the lender, to be paid at settlement by the Seller toward the Buyer's charges to buy the property.

If the Seller elects not to perform in accordance with the Home Inspection Notice or makes another offer, the Seller will Deliver Notice to the Buyer of such decision within 3 Days after Delivery of the Home Inspection Notice.

Within 3 Days after Delivery of a Notice from one party, the other party may:

- (i) Deliver Notice accepting the terms contained in the other party's Notice; or
- (ii) Deliver Notice continuing negotiations by making another offer; or
- (iii) Deliver Notice that this Contract will become void at 9 p.m. on the 3rd Day following Delivery, unless the recipient Delivers to the other party Notice of the acceptance of the last Delivered offer prior to that date and time, in which case this Contract will remain in full force and effect.

Failure of either party to respond within 3 Days after Delivery of Notice from the other party will result in acceptance by both parties of the terms of the most recent Notice.

**B.** Notice declaring this Contract void.

+

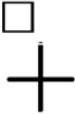
**2. GENERAL INSPECTION CONTINGENCY:** This Contract is contingent until 9 p.m. on the \_\_\_\_\_ Day after the Date of Ratification ("Deadline") for satisfactory inspections of the property by the Buyer, a home inspection firm and/or other representative(s) at the Buyer's discretion and expense. The Seller will have all utilities in service at the time of inspection(s). In the event of an unsatisfactory inspection, as determined by Buyer in his sole discretion, Buyer may, by Notice to Seller, declare this contract void. In the event such Notice is not given by the Deadline, this contract will remain in full force and effect.

B →   
S →

**3. "AS IS" PROPERTY CONDITION:** The Property, including but not limited to electrical, plumbing, heating, air conditioning, equipment and fixtures ("the Property"), is sold and shall be Delivered in "As Is" physical condition, to be determined as of the

Date of Ratification,  the Date of the Home Inspection or  (other) \_\_\_\_\_.

The Seller makes no representation or warranty, express or implied, as to the condition of the Property or any equipment or System contained therein. **All clauses in this Contract pertaining to Property condition, termites or compliance with city, state or county regulations are hereby deleted from this Contract.** Smoke detectors will be installed as required by the laws or regulations of the appropriate jurisdiction. The property shall be Delivered free and clear of trash and debris and broom clean.



**4. RADON INSPECTION CONTINGENCY:** This Contract is contingent until 9 p.m. on the \_\_\_\_\_ Day after the Date of Ratification ("Deadline") to allow the Buyer, at the Buyer's discretion and expense, to have the property inspected for the presence of radon by a Testing Firm listed with the National Radon Safety Board ("NRSB") or the National Environmental Health Association ("NEHA") using a U.S. Environmental Protection Agency ("EPA") approved testing method. Testing and retesting devices, if applicable, to be placed and retrieved by an NRSB or NEHA listed technician or their authorized subcontractor. This contingency will terminate at the Deadline unless by the Deadline, the Buyer Delivers to the Seller a copy of the radon testing report which confirms the presence of radon that equals or exceeds the action level established by the EPA together with either A or B:

**A. Radon Testing Notice:** (see GCAAR recommended Form #1363) requiring the Seller at Seller's expense prior to settlement to remediate the radon condition; or stipulating a dollar credit, as allowed by the Lender, to be paid at settlement by the Seller towards the Buyer's charges to buy the Property. In the event that the Seller agrees to remediate the radon condition, such work shall be performed by a NRSB or NEHA listed remediation firm who will provide written verification that the required remediation has been performed, including test results demonstrating that the presence of Radon is below the action level established by EPA.

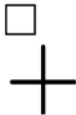
If the Seller elects not to perform in accordance with the Radon Testing Notice or makes another offer, the Seller will Deliver Notice to the Buyer of such decision within 3 Days after Delivery of the Radon Testing Notice.

Within 3 Days after Delivery of a Notice from one party, the other party may:

- (i) Deliver Notice accepting the terms contained in the other party's Notice; or
- (ii) Deliver Notice continuing negotiations by making another offer; or
- (iii) Deliver Notice that this Contract will become void at 9 p.m. on the 3rd Day following Delivery, unless the recipient Delivers to the other party Notice of the acceptance of the last Delivered offer prior to that date and time, in which case this Contract will remain in full force and effect.

Failure of either party to respond within 3 Days after Delivery of a Notice from the other party will result in acceptance by both parties of the terms of the most recent Notice.

**B.** Notice declaring this Contract void.



**5. LEAD-BASED PAINT INSPECTION CONTINGENCY:** This Contract is contingent until 9 p.m. on the \_\_\_\_\_ Day after the Date of Ratification (**must be 10 days or such other period as shall be mutually agreeable to the Buyer and Seller**) ("Deadline") to allow Buyer, at Buyer's discretion and expense, to have a risk assessment or inspection of the interior and exterior of the subject property for the presence of lead paint and/or lead-based paint hazards ("Inspection"). Such Inspection shall be performed by an individual certified by the Maryland Department of the Environment ("MDE"), for Maryland properties, or the DC Department of Health Lead Based Paint Program, for DC Properties, to conduct such assessment or inspection ("Certified Inspector"). This contingency will terminate at the Deadline unless by the Deadline, Buyer Delivers to Seller a copy of the risk assessment report or inspection report which reveals conditions for which the Certified Inspector recommends corrective action together with either A or B.

**A. Lead-Based Paint Testing Notice:** (see recommended GCAAR Form #1340) identifying specific lead based paint hazards and requiring Seller at Seller's expense prior to settlement to perform requisite corrective action to abate such lead based paint hazards, or stipulating a dollar credit, as allowed by the Lender, to be paid at Settlement by the Seller towards Buyer's charges to buy the Property. In the event Seller agrees to have the corrective action performed, Seller shall furnish, not later than the date of settlement, a written certification by a Certified Inspector demonstrating that the specified conditions have been remedied.

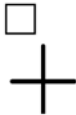
If Seller elects not to perform in accordance with the Lead Based Paint Notice or makes another offer, Seller will Deliver Notice to Buyer of such decision within 3 Days after Delivery of the Lead Based Paint Notice.

Within 3 Days after Delivery of a Notice from one party, the other party may:

- (i) Deliver Notice accepting the terms contained in the other party's Notice; or
- (ii) Deliver Notice continuing negotiations by making another offer; or
- (iii) Deliver Notice that this Contract will become void at 9 p.m. on the 3rd Day following Delivery, unless the recipient Delivers to the other party Notice of the acceptance of the last Delivered offer prior to that date and time, in which case this Contract will remain in full force and effect.

Failure of either party to respond within 3 Days after Delivery of a Notice from the other party will result in acceptance by both parties of the terms of the most recent Notice.

**B.** Notice declaring this Contract void.



**6. POST SETTLEMENT AIR CONDITIONING AND/OR SWIMMING POOL INSPECTION CONTINGENCY:**

These provisions shall apply to the following system(s) (the "System") (check appropriate system(s)):

the Air Conditioning System; and/or  the Swimming Pool System (defined as the swimming pool and related equipment, including the structural integrity of the swimming pool).

Due to weather conditions, the System located at the Property cannot be adequately tested to ensure that it is in compliance with the Equipment, Maintenance and Condition paragraph or the Condition of Property and Possession paragraph, as applicable, of the Sales Contract and this Addendum (the "Required Condition"). Buyer and Seller agree that Buyer shall, at his expense, make an inspection of the System at the earliest practicable date, consistent with the weather conditions, but in no event later than the May 31 following ratification (the "Final Inspection Date"). Seller's agreement that the System will be in the Required Condition at the time of settlement or occupancy, whichever occurs first, is hereby extended through the date of the inspection of the System, but in no event later than the Final Inspection Date.

JEFF ANNIS REAL ESTATE LLC - 301-654-2500

PROPERTY ADDRESS: 5219 GODDARD ROAD, BETHESDA, MD 20814-1303

Buyer shall give Notice to Seller of the date and time on which the inspection is to be made, and Seller shall have the option of being present or represented at said inspection. The inspection shall be conducted by a heating and air conditioning technician, or pool service company, as appropriate, licensed in the jurisdiction in which the Property is located. **Buyer agrees not to attempt to operate the System prior to the scheduled date for the inspection. In the event Buyer attempts to operate the System prior to said inspection, then any warranty hereunder, express or implied, by Seller, shall be deemed to be null and void.**

In the event that the aforesaid inspection shows the System to be in the Required Condition, then Seller's obligations hereunder with respect to the System shall be deemed fulfilled. In the event that the aforesaid inspection shows the System not to be in the Required Condition, Buyer shall provide Notice of same to Seller no later than the Final Inspection Date, in which event Seller shall be responsible for the actual cost necessary to place the System in the Required Condition. All remedial action taken hereunder shall be performed in a good and workmanlike manner by a heating and air conditioning contractor or pool service company, as appropriate, selected by Seller who is licensed in the jurisdiction in which the Property is located, and shall be completed within 10 days after Buyer's Notice to Seller ("Seller's Timeframe"). Buyer shall make the Property available at reasonable times for the completion of such work. In the event that the System is not in the Required Condition by the expiration of Seller's Timeframe, Buyer shall be irrevocably authorized to have the required remedial action performed by a contractor meeting the aforesaid qualifications. Upon completion of the remedial action, but no later than 10 days following the expiration of Seller's Timeframe ("Buyer's Timeframe"), Buyer shall provide a Notice to Seller including a copy of the contractor's invoice and instructions as to whether the amount shown in said invoice shall be paid directly to said contractor or to Buyer as a reimbursement for covered expenses. Upon receipt of said Notice, Seller shall immediately make payment as instructed in the Notice.

In the event that any Notice required to be given in this Addendum is not given within the timeframe specified, then Seller's obligations hereunder with respect to the System shall be deemed fulfilled.

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**7. HOLDING DEPOSIT CHECK:** It is understood and agreed by all Parties that the Buyer has instructed the Escrow Agent to hold and not deposit the above described deposit check until \_\_\_\_\_ Days after Ratification at which time said check shall be deposited.

**8. INTEREST-BEARING ACCOUNT DEPOSIT:** The Parties hereto agree and authorize Jeff Annis Real Estate LLC Escrow Agent, to place the deposit in an interest-bearing escrow account. Interest shall accrue and be payable to the Buyer at time of settlement. In order to establish an Interest Bearing Account, the Buyer understands that a completed W-9 form and a copy of a government issued photo ID must be given to the Escrow Agent. A Processing fee of \$ zero shall be charged to the party receiving the interest by the above Escrow Agent for this service. In the event of a forfeiture of deposit, any interest accrued shall be payable to the Seller.

**9. APPRAISAL CONTINGENCY: (Not to be used with FHA or VA Financing.)** This Contract IS CONTINGENT until 9:00 p.m. on the \_\_\_\_\_ day after the Date of Ratification ("Deadline") for Buyer to obtain a written appraised valuation of the property (hereinafter "Appraisal") certifying the value of the property to be no less than the sales price (**check with your lender to confirm that the Appraisal will be completed by the Deadline**). If Buyer is obtaining financing, the Lender shall select the Appraiser. If this is a cash sale, the Buyer shall select the Appraiser. The Appraiser shall be licensed to perform appraisals in the jurisdiction in which the property is located. Seller shall make the property available for inspection by such Appraiser.

In the event that the Appraisal is lower than the Sales Price, the Buyer has the option of proceeding with this Contract at the stated Sales Price without regard to the Appraisal. However, should the Buyer decline to proceed with this Contract at the stated Sales Price (due to the Appraisal being lower than the stated Sales Price), Buyer shall Deliver to Seller, by the Deadline, a Notice (See GCAAR Buyer's Appraisal Notice), requesting that the sales price be reduced to a specified lower amount of not less than the appraised value, together with a copy of the written Appraisal ("Buyer's Appraisal Notice").

Should Buyer fail to Deliver Buyer's Appraisal Notice by the Deadline, Buyer's Appraisal Contingency will continue, unless Seller at Seller's option, prior to Seller's receipt of the Buyer's Appraisal Notice, gives Notice to Buyer that the Deadline has passed and the Contingency will EXPIRE. If Seller Delivers such Notice, this Contingency will EXPIRE at 9 p.m. on the third day following Delivery of Seller's Notice, unless prior to that date and time Buyer Delivers Buyer's Appraisal Notice. If this Contingency expires pursuant to the terms of this paragraph, this contract will remain in full force and effect.

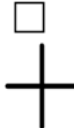
All Notices (under this Appraisal Contingency) Delivered subsequent to the Delivery of the Buyer's Appraisal Notice shall be treated as follows:

WITHIN 3 DAYS AFTER NOTICE DELIVERY FROM ONE PARTY, THE OTHER PARTY MAY:

- 1. Deliver Notice accepting the terms contained in the other party's Notice: OR
- 2. Deliver Notice continuing negotiations by making another offer; OR
- 3. Deliver Notice that this Contract will become void at 9:00 p.m. on the 3<sup>rd</sup> Day following Delivery, unless the recipient Delivers to the other party Notice of the acceptance of the last Delivered offer prior to that date and time, in which case, this Contract will remain in full force and effect.

**FAILURE OF EITHER PARTY TO RESPOND WITHIN 3 DAYS AFTER NOTICE DELIVERY WILL RESULT IN THE CONTRACT BECOMING VOID.**

Buyer may remove this contingency at any time prior to Delivery of Buyer's Appraisal Notice or Seller's Appraisal Expiration Notice. If this contingency is removed, expires, or a party accepts the terms contained in the other party's Notice, then this Contract will no longer be contingent upon an appraisal. Thus, Buyer shall complete settlement without regard to the value of the Property set forth in any Appraisal and acknowledges that this may reduce the amount of financing available from lender and may require Buyer to tender additional funds at Settlement. If Buyer fails to settle except due to any Default by Seller, then the Buyer shall be in Default and the provisions of the Default paragraph of the Contract shall apply.



**10. SALE OF THE BUYER'S PROPERTY CONTINGENCY WITH KICK-OUT:** This Contract is contingent until 9 p.m. on the \_\_\_\_\_ Day after the Date of Ratification ("Deadline") upon the sale of the Buyer's property located at \_\_\_\_\_ ("Buyer's Property"). If the Buyer does not satisfy or remove this contingency by the Deadline pursuant to paragraph 10C below, then at any time after the Deadline, but prior to the Buyer satisfying or removing this contingency, either the Seller or the Buyer may declare this Contract void by providing Notice to the other party.

**A.** The Seller may continue to offer the Property for sale and accept bona fide back-up offers to this Contract. If during the term of this contingency, a back-up offer is accepted, the Seller will Deliver Notice to the Buyer requiring that this contingency be satisfied or removed pursuant to paragraph 10C below not later than 9 p.m. on the \_\_\_\_\_ Day after Delivery of the Notice, or this Contract will become void.

**B.** The Buyer's Property will be listed exclusively and actively marketed by a licensed real estate broker and entered into a multiple listing service within 3 Days after the Date of Ratification at a price not to exceed \$ \_\_\_\_\_.

**C.** The Buyer may:

(i) satisfy this contingency by Delivering to the Seller a copy of the ratified contract for the sale of the Buyer's Property with evidence that all contingencies, other than financing, have been removed or waived, together with a letter from an institutional lender stating that the financing described in the Contract for the sale of Buyer's Home is available to the Buyer in that Contract and, based upon written loan application, a preliminary credit report, and the information provided by that Buyer, the financing should be committed subject to appropriate verification, approval and commitment, **or**

(ii) remove this contingency by Delivering to the Seller (a) the lender's letter stating that the financing is not contingent in any manner upon the sale and settlement of any real estate or obtaining a lease of any real estate and that the Buyer has sufficient funds available for the down payment and closing costs necessary to complete settlement; or (b) evidence of sufficient funds available to complete settlement without obtaining financing.

**D.** If the Buyer satisfies the requirements of Paragraph 10C (i) above, this Contract will remain contingent upon the settlement of the sale of the Buyer's Property. Settlement under this Contract may not be delayed more than \_\_\_\_\_ Days after the settlement date (specified in this contract) without the parties' written consent. If a further delay is required to obtain coinciding settlements and the parties do not agree, then this Contract will become void. If at any time after the Date of Ratification the contract for the sale of the Buyer's Property becomes void, the Buyer will immediately Deliver Notice to the Seller together with evidence of such voiding, at which time either the Seller or the Buyer may declare this Contract void by Delivering Notice to the other party. This paragraph will survive the satisfaction of the contingency for the sale of the Buyer's Property.



**11. BACK-UP CONTRACT OR OFFER:** This Contract is first back-up to another contract or offer dated \_\_\_\_\_ between the Seller and \_\_\_\_\_ as the Buyer. This Contract shall become the primary contract immediately upon Delivery of Notice from the Seller that the other contract or offer is void along with a copy of the fully executed release. The Buyer may void this back-up contract at any time prior to its becoming primary by Delivering Notice to the Seller. If the contract dated \_\_\_\_\_ settles, this back-up contract will become void. The rights and obligations of the parties under the primary contract are superior to the rights and obligations of the parties to this back-up contract. All timeframes contained in this contract shall not commence until the date this contract becomes primary. Additionally, the date for Settlement will be \_\_\_\_\_ days after the date this contract becomes primary.

+ **12. SETTLEMENT OF BUYER'S PROPERTY CONTINGENCY:** Settlement on this Contract is contingent upon the settlement on the contract for the sale of the Buyer's Property located at \_\_\_\_\_ ("Buyer's Property"). A copy of said contract is attached evidencing that all contingencies, other than financing, have been removed or waived, together with a letter from an institutional lender stating that the financing described in the Contract for the sale of Buyers Home is available to the Buyer in that Contract and, based upon a written loan application, a preliminary credit report, and the information provided by that Buyer, the financing should be committed subject to appropriate verification, approval and commitment. Settlement under this Contract may not be delayed more than \_\_\_\_\_ Days after the settlement date (specified in this Contract) without the parties' written consent. If a further delay is required to obtain coinciding settlements and the parties do not agree, then this Contract will become void. If at any time after the Date of Ratification the contract for the sale of the Buyer's Property becomes void, the Buyer will immediately Deliver Notice to the Seller together with evidence of such voiding, at which time either the Seller or the Buyer may declare this Contract void by Delivering Notice to the other party.

+ **13. OPTION TO KEEP HOUSE ON MARKET WITH KICK-OUT:** The Seller may continue to offer this property for sale and accept bona fide back-up offers to this Contract. If during the contingency period (s) as set forth in paragraph #'s \_\_\_\_\_ of this Contract or paragraph #'s \_\_\_\_\_ of form # \_\_\_\_\_, a back-up offer is accepted, the Seller will Deliver Notice to the Buyer together with a copy of the back-up Contract requiring that said contingency (ies) be satisfied or removed no later than 9 p.m. on the \_\_\_\_\_ Day after Delivery of the Notice, or this Contract will become void.

+ **14. CONTINGENT ON THE SELLER PURCHASING ANOTHER HOME:** This Contract is contingent until 9 p.m. on the \_\_\_\_\_ Day after the Date of Ratification ("Deadline") to allow the Seller to obtain a ratified contract to purchase another home. This provision will terminate at the Deadline and this Contract will remain in full force and effect unless the Seller declares this Contract void by Delivering Notice to the Buyer by the Deadline.

+ **15. THIRD PARTY APPROVAL:** This Contract is contingent upon the approval of \_\_\_\_\_ by 9 p.m. on the \_\_\_\_\_ Day after the Date of Ratification ("Deadline"). If Notice of disapproval is not Delivered to the other party by the Deadline, this contingency will terminate and this Contract will remain in full force and effect. No Notice of approval is required. If Notice of disapproval is Delivered by the Deadline, this Contract will become void.

+ **16. ITEMS TO BE REMOVED:** Notwithstanding the provisions of this Contract, the following fixtures and/or items of personal property shall not convey and shall be removed from the subject property by the Seller prior to settlement and will not be replaced:  
\_\_\_\_\_

+ **17. POST-SETTLEMENT OCCUPANCY AGREEMENT:** The Parties agree that the Seller shall occupy the property for a period of 59 days following settlement at the rate of \$ 0 per day. Seller shall pay a security deposit of \$ 0 at the time of settlement. The Seller and the Buyer acknowledge that they have read and executed, or will execute at settlement, the GCAAR Post-Settlement Occupancy Agreement and agree to be bound by its terms and provisions. **In the event that this is a Maryland transaction and any mortgage on the property is 60 days or more in default, Seller has the right to rescind this Contract within 5 days of all parties signing a Statement of Tenancy (see GCAAR Form #1364).**

+ **18. PRE-SETTLEMENT OCCUPANCY AGREEMENT:** The Parties agree that Buyer shall occupy the property prior to settlement commencing on the \_\_\_\_\_ day of \_\_\_\_\_ at the rate of \$ \_\_\_\_\_ per day. The Seller and the Buyer acknowledge that they have read and executed, or will execute prior to occupancy, the GCAAR Pre-Settlement Occupancy Agreement and agree to be bound by its terms and provisions.

+ **19. LICENSEE RELATIONSHIP DISCLOSURE:** The Parties acknowledge that Jeffrey Annis is a licensed real estate agent in MD (MD/DC/VA) associated with Jeff Annis Real Estate LLC (company) and is the  Buyer  Seller  or  related to one of the parties here to in the following way: \_\_\_\_\_ ~~and may share in the brokerage fee to be paid.~~

+ **20. BROKERAGE FEE PAID BY THE BUYER:** It is understood and agreed by all parties that (company name) \_\_\_\_\_, (agent's name) \_\_\_\_\_, is acting as an agent solely representing the Buyer in this transaction ("Buyer's Broker"). The Seller has no obligation to the Buyer's Broker, and does not owe a brokerage fee or other consideration of any nature to said Buyer's Broker. The settlement office is directed to collect from the Buyer funds, at settlement, and to disburse said fee, as per the separate Buyer's Broker Agreement between the Buyer's Broker and the Buyer. This Buyer's Broker's fee is separate and apart from any brokerage fee owed to the Seller's Listing Broker pursuant to the agency paragraph of the contract. The parties acknowledge that the said Buyer's Broker relationship was disclosed to the Seller and/or the Seller's agent prior to showing the property to the Buyer.

+ **21. AGREEMENT BETWEEN UNREPRESENTED SELLER (FSBO/BUILDER) AND BUYER CONCERNING BUYER BROKER FEE:** Sellers acknowledge and agree that (company name) \_\_\_\_\_ and Agent \_\_\_\_\_, represent solely the Buyer in this transaction. The Seller agrees to pay the Buyer's Broker fee of \_\_\_\_\_ % of the sale price OR \$ \_\_\_\_\_ as part of this transaction and hereby irrevocably instructs the settlement agent or attorney to deduct this amount from the Seller's proceeds at settlement and pay the Buyer's Broker's fee on behalf of the Buyer. This fee is separate and apart from any other obligation or brokerage fees unrelated to the Buyer and Buyer Broker that the Seller might owe any other party or Broker. The Parties acknowledge that the Buyer's Agency relationship was disclosed to the Seller prior to showing the property to the Buyer.

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S →

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S →

**22. MASTER PLAN REVIEW FOR MONTGOMERY COUNTY PROPERTIES.** (Except City of Rockville) Notwithstanding any provisions to the contrary, this Contract is contingent until 9:00 P.M. on the \_\_\_\_\_ Day after the Date of Ratification ("Deadline"), to allow the Buyer the opportunity to review the applicable County Master Plan and the municipal land use plan for the area in which the property is located as well as any amendment to either plan and any approved official map showing planned uses, roads and highways, parks and other public facilities affecting the property ("Master Plan"). In the event the Buyer is dissatisfied with anything contained in the applicable Master Plan or municipal land use plan, in the Buyer's sole discretion, the Buyer shall Deliver Notice of disapproval to the Seller on or before the Deadline specified in this paragraph, in which event this Contract shall be void. If such Notice is not Delivered by the Deadline, this contingency shall automatically expire and this contract will remain in full force and effect. (This clause may not be used for property within the corporate limits of the City of Rockville.)

**23. ADDITIONAL PROVISIONS:**

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Except as modified by this Addendum, all of the terms and provisions of this Contract are hereby expressly ratified and confirmed and will remain in full force and effect. The captions and headings are for convenience or reference only.

**S →** \_\_\_\_\_ **← B**  
Seller Date Buyer Date

**S →** \_\_\_\_\_ **← B**  
Seller Date Buyer Date



**Montgomery County Jurisdictional Addendum to Sales Contract**  
(Required For Use With MAR and Regional Contracts)

The Contract of Sale dated \_\_\_\_\_, 2009, Address 5219 Goddard Road  
City Bethesda, State Maryland Zip 20814-1303 Lot: 13 & Pt 14  
Block/Square: H Unit: \_\_\_\_\_ Section: \_\_\_\_\_ Tax ID # 00440405  
Parking Space(s) # \_\_\_\_\_ Storage Unit(s) # \_\_\_\_\_ Subdivision/Project: Battery Park  
between Seller Jeffrey and Terri L Annis and  
Buyer the undersigned is hereby  
amended by the incorporation of this Addendum, which shall supersede any provisions to the contrary in the Contract.

**TIME IS OF THE ESSENCE WITH REGARD TO EACH PROVISION OF THE ENTIRE CONTRACT WHICH CONTAINS TIME FRAMES.**

1. **MASTER PLAN DISCLOSURES:** A or B required; use A unless property is in the City of Rockville corporate limits.

**A. Montgomery County:**

Buyer has the right to examine, prior to signing this Contract, the applicable County Master Plan and any municipal land use plan for the area in which the property is located and any adopted amendment to either plan, and approved official maps showing planned land uses, roads and highways, parks and other public facilities affecting the property contained in the plan.

By signing this Addendum, Buyer acknowledges the following:

- a. Seller has offered the Buyer the opportunity to review the applicable Master Plan and municipal land use plan and any adopted amendment;
- b. Seller has informed Buyer that amendments affecting the plan may be pending before the Planning Board or the County Council or a municipal planning body;
- c. Buyer has reviewed each plan and adopted amendment or does hereby waive the right to review each plan and adopted amendment; and
- d. Buyer understands that to stay informed of future changes in County and municipal land use plans, the Buyer should consult the Planning Board and the appropriate municipal planning body.

B →

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Buyer

← B

-OR-

**B. City Of Rockville:**

Buyer acknowledges that Buyer has been afforded the opportunity to examine the Approved and Adopted Land Use Plan Map portion of the plan for the City of Rockville and all amendments to said Map (hereinafter referred to as the "Plan"). Buyer further acknowledges that Seller's real estate agent has provided said opportunity to examine the Plan by either producing and making available for examination a copy of the Plan or escorting Buyer to a place where the Plan is available for examination by Buyer. Buyer acknowledges that at no time did the agent explain to Buyer the intent or meaning of such Plan nor did Buyer rely on any representation made by the agent(s) pertaining to the applicable Plan.

By signing below, the Buyer acknowledges that he has been afforded an opportunity to review the Plan.

B →

\_\_\_\_\_  
Buyer

\_\_\_\_\_  
Buyer

← B

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**2. TRANSFER AND RECORDATION TAXES: (Select either A or B)**

**A. Buyer is NOT a First Time Maryland Homebuyer:** Section 14-104 of the Real Property Article of the Annotated Code of Maryland provides that, unless otherwise negotiated in the contract or provided by state or local law, the cost of any recordation tax or any state or local transfer tax shall be shared equally between the buyer and seller. **BUYER AND SELLER EXPRESSLY AGREE THAT THE COST OF STATE RECORDATION TAX, STATE TRANSFER TAX AND LOCAL COUNTY TRANSFER TAX SHALL BE PAID AS FOLLOWS: Buyer and Seller Equally**

OR

**B. Buyer is a First Time Maryland Homebuyer:**

1) To qualify as a First-Time Maryland Homebuyer, each Buyer must sign a statement under oath stating that:

(a) The Buyer has never owned residential real property in Maryland that has been the individual's principal residence; AND

(b) The Residence will be occupied as a principal residence;

OR

(a) The Buyer is a Co-Maker or Guarantor of a mortgage or deed of trust to be secured by the property AND the Co-Maker or Guarantor will NOT occupy the property as a principal residence.

2) If buyer is a First Time Maryland Homebuyer, then:

(a) Under Section 13-203(b) of the Tax Property Article Annotated Code of Maryland, the amount of State Transfer Tax due on the sale of the property is reduced from .50% to .25% and shall be paid by the seller; AND

(b) The entire amount of the recordation tax and the local (county) transfer tax shall be paid by the Seller unless there is an express written agreement stating otherwise. **BUYER AND SELLER EXPRESSLY AGREE THAT THE COST OF STATE RECORDATION TAX AND LOCAL COUNTY TRANSFER TAX SHALL BE PAID AS FOLLOWS: Buyer and Seller Equally**

(Note: In the event the Buyer elects to pay all of State Recordation Tax and Local County Transfer Tax, the Seller must still pay the non-waived portion of the State Transfer Tax.)

**3. PRIVATE WELL AND SEPTIC:** If the property is on well and/or septic system, the  Buyer, at Buyer's expense, OR  Seller, at Seller's expense will:

**A.** Provide the Buyer on or before Settlement with a certificate, dated not more than 30 days prior to Settlement, from a private water testing laboratory certified by the Maryland Department of Health and Mental Hygiene that the well water is potable.

**B.** Provide the Buyer on or before Settlement with a report, dated not more than 30 days prior to Settlement, from a private company, which has proof of having attended a course for septic testing approved by the Maryland Department of Environment that the septic system is not malfunctioning, is functioning satisfactorily, or is in operating condition.

**C.** If either system does not meet the requirements of A or B above, the Seller, at Seller's expense, will take appropriate remedial action to rectify the deficiency and provide the Buyer with above required documents outlined in A and B on or before Settlement.

**4. NOTICES:** All notices under the contract shall be in writing. Notices to the Seller shall be effective when delivered to the Seller or an Agent of the Seller named in the contract (including a Dual Agent or an Intra-Company Agent assigned to the Seller, as applicable, or alternatively, to the Agent's Supervising Manager.) Notices to the Buyer shall be effective when delivered to the Buyer or an Agent of the Buyer named in the contract (including a Dual Agent or an Intra-Company Agent assigned to the Buyer, as applicable, or alternatively, to the Agent's Supervising Manager). "Purchaser" means "Buyer" and vice versa. "Delivery" means hand carried, sent by overnight delivery service, sent by wired or electronic medium which produces a tangible record of the transmission (such as telegram, mailgram, telecopier or "Fax", email which includes an attachment with an actual copy of the executed instruments being transmitted, or U.S. Postal mailing.) In the event of overnight delivery service, Delivery will be deemed to have been made on the next business Day following the sending, unless earlier receipt is acknowledged in writing. In the event of U.S. Postal mailing, Delivery will be deemed to have been made on the third business Day following the mailing, unless earlier receipt is acknowledged in writing. The provisions of this paragraph regarding delivery of notices shall also be applicable to delivery of resale packages for condominiums, cooperatives and/or homeowners associations as may be required in a separate addendum.

**5. COOPERATIVE/CONDOMINIUM ASSOCIATION APPROVAL:** If this sale is subject to the approval or right of first refusal of the Council of Unit Owners or Board of Directors of the Cooperative/Condominium, then Seller agrees to immediately present this Contract to such Council or Board for their action or consideration. In the event this sale is disallowed by the appropriate Cooperative/Condominium authority, this Contract shall be null and void, and Buyer's deposit shall be refunded when an "Agreement of Release" is signed or in accordance with the provisions of the Contract.

**6. FOREIGN INVESTMENT TAXES - FIRPTA:** Section 1445 of the United States Internal Revenue Code of 1986 provides that a Buyer of a residential real property located in the United States must withhold federal income taxes from the payment of the purchase price if (a) the purchase price exceeds Three Hundred Thousand Dollars (\$300,000.00) or the purchase price is less than or equal to Three Hundred Thousand Dollars (\$300,000.00) and the property will not be owner occupied, and (b) Seller is a foreign person for purposes of U.S. income taxation. A foreign person includes, but is not limited to, a non-resident alien, foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined by the Internal Revenue Code and applicable regulations). Seller represents that Seller is not a foreign person and agrees to execute an affidavit to this effect at the time of Settlement.

**7. PROTECTION OF HOMEOWNERS IN FORECLOSURE ACT NOTICE:** Buyer and Seller acknowledge that, under Section 7-310 and 7-313 of the Real Property Article of the Annotated Code of Maryland, if the Property is occupied by Seller (or Seller's spouse under a use and possession order) and any mortgage on the property is 60 days or more in default when the Contract is executed, Seller has the right to rescind the contract within 5 days of the latter of (1) Contract execution; or (2) the date all parties sign a Statement About Tenancy (See GCAAR Form 1364) if the Contract includes a provision allowing the Seller to occupy the Property after settlement. Any provision in the Contract or other agreement that attempts or purports to waive any of Seller's rights under Section 7-310 is void.

**Seller hereby warrants that as of the Date of Ratification no mortgage on the Property is 60 days or more in default. Seller shall immediately give Buyer Notice if such a default occurs.**

**8. VOID CONTRACT:** If this Contract becomes void, all principals will immediately execute a release directing that the Deposit be refunded in full to the Buyer according to the terms of the DEPOSIT paragraph. Except with respect to disbursement of the deposit at Settlement hereunder, the deposit and accrued interest, if any, shall be given or returned by escrow agent to any of the principals to this transaction only when an "Agreement of Release" has been ratified by all principals, as directed by a court order, or pursuant to Section 17-505(b), Business Occupations and Professions Article, Annotated Code of Maryland. If either Buyer or Seller refuses to execute a release of the deposit when requested to do so in writing and a court finds that that party should have executed same, that party shall be required to pay, in addition to any damages, all expenses, including reasonable attorney's fees, incurred by the adverse party in the litigation.

**9. GENERAL PROVISIONS:**

**A.** If not previously paid, the party making Settlement is hereby irrevocably authorized and directed to deduct and pay the brokerage fee(s) or compensation to the broker(s) from the proceeds of sale in accordance with a separate listing contract or agency representation agreement and with the multiple listing service offer of compensation to cooperating agents and Buyer brokers as of the "Date of Offer"/ "Contract Date".

**B.** In the event Settlement shall fail to occur within the time herein set forth, the broker(s) shall still be entitled to brokerage fee(s) referenced above.

**C.** The Buyer acknowledges that Buyer has worked with no other agent on this property other than the agent(s) named herein.

**D.** In the event of forfeiture or default, Broker shall receive as compensation for services, an amount specified in accordance with the appropriate brokerage agreement.

**E.** The principals to the Contract mutually agree that the provisions hereof shall survive the execution and delivery of the deed herein and shall not be merged herein.

**10. DEFINITIONS:**

**A. Days:** "Day" or "Days" means calendar days unless otherwise specified.

**B. Business Days:** "Business Days", whenever used, means Monday through Friday, excluding federal holidays.

**C. Computation of Time Periods:** For the purpose of computing time periods, the first Day will be the Day following Delivery, and the time period will end at 9 p.m. on the Day specified.

**D. Date of Ratification:** This Contract shall be deemed ratified when the Contract, all addenda and any modifications thereto have been signed and initialed, where required by all parties, and Delivered to the other party pursuant to the Notices paragraph.

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**THE FOLLOWING PARAGRAPHS (11-14) APPLY ONLY TO THE MAR CONTRACT:**

**11. PERFORMANCE:**

- A. Delivery to the attorney or to the title company of the cash payment and Settlement costs as herein stated, the executed deed of conveyance and such other papers as required of either party by the terms of this Contract shall be considered good and sufficient tender or performance in accordance with the terms hereof.
- B. It is agreed that funds arising out of this transaction at Settlement shall be used to pay off any existing encumbrances, including interest, as required by lender(s) or lien holders.
- C. Seller agrees to pay a reasonable closing fee for services rendered to the Seller.

**12. FINANCING AND FINANCING APPLICATION:** The provisions of this paragraph shall supersede the "FINANCING APPLICATION AND COMMITMENT" paragraph of the MAR Contract.

A. **Financing Application:** In this Contract is contingent on financing. Buyer will make written application for the Specified Financing and any Lender required property insurance no later than 7 days after the Date of Ratification. Buyer grants permission for the Selling Company and the lender to disclose to the Listing Company and the Seller general information available about the progress of the loan application and loan approval process. If Buyer fails to settle except due to any Default by Seller, then the provisions of the Default paragraph shall apply.

B. **Seller Subsidy:** Based on the financing terms specified in this Contract, Seller will pay at Settlement toward Buyer's charges (including, but not limited to, loan origination fees, discount points, buy down or subsidy fees, prepaids, other charges as allowed by the lender). Buyer will pay all remaining Buyer's charges. If applicable, Buyer will pay at Settlement or finance any initial private mortgage insurance required by lender. It is Buyer's responsibility to confirm with his lender, if applicable, that the entire credit provided herein may be utilized. If lender prohibits Seller from the payment of any portion of this credit, then said credit shall be reduced to the amount allowed by the lender.

**C. Appraisal (Must Select Option 1 or 2):**

**Option (1):** This Contract is contingent on Buyer obtaining an Appraisal certifying the value of the Property to be no less than the Sales Price. See Attached Addendum. If the appropriate Appraisal Contingency Addendum is not attached, this Contract is not contingent on an Appraisal and Option (2) below will apply.

**Option (2):** This Contract is not contingent on an Appraisal. Buyer shall complete Settlement without regard to the value of the Property set forth in any Appraisal and acknowledges that this may reduce the amount of financing available from lender and may require Buyer to tender additional funds at Settlement. If Buyer fails to settle except due to any Default by Seller, then the provisions of the Default paragraph shall apply.

**D. Financing (Must Select Option 1 or 2) Not to be used with Seller Financing:**

**Option (1):** This Contract is contingent on Buyer obtaining approval for loan(s) to purchase the Property ("Financing Contingency").

1) This Contract is contingent until 9 p.m. \_\_\_\_\_ Days after Date of Ratification ("Financing Deadline") upon Buyer delivering Notice to Seller in Form #100 removing the Financing Contingency. Such Notice

shall or  shall not be accompanied by a letter from the lender, which shall constitute a written commitment for a loan as specified in the "FINANCING" paragraph of the MAR contract ("Lender's Letter"). Such Lender's Letter shall include the following statements or statements substantially similar thereto:

- (a) Buyer is approved for the Specified Financing.
- (b) Ratified Contract has been received.
- (c) A written application for the financing has been made.
- (d) Income, asset, and liability documentation of Buyer have been received.
- (e) Buyer's credit has been reviewed and
- (f) The application has been reviewed and meets all criteria after any derogatory items.

2) If Buyer fails to Deliver Form #100 and Lender's Letter (if required) by the Financing Deadline, this contingency will continue, unless Seller at Seller's option gives Notice to Buyer that this Contract will become void. If Seller Delivers such Notice this Contract will become void at 9 p.m. on the third day following Delivery of Seller's Notice unless prior to that date and time:

- (a) Buyer Delivers to Seller Form #100 and Lender's Letter (if required) or
- (b) Buyer Delivers to Seller Form #100 and provides Seller with evidence of sufficient funds available to

complete Settlement without obtaining financing.

~~3) Upon Delivery to Seller of either (a) or (b) above, this Contract will no longer be contingent on Buyer being approved for the Specified Financing and this Contract will remain in full force and effect.~~  
~~4) Prior to satisfaction or removal of the Financing Contingency, if Buyer receives a written rejection for the Specified Financing and delivers a copy of the written rejection to Seller, this Contract will become void. Buyer will be in default when the Financing Contingency has not been removed if Settlement does not occur on the Settlement Date as a result of any of the following:~~

- ~~(a) Failure to lock-in the interest rate(s) and the rate(s) increase so that Buyer does not qualify for such financing; OR~~
- ~~(b) Failure to comply with the lender's reasonable requirements in a timely and diligent manner; OR~~
- ~~(c) Application is made with an alternative lender (one other than the lender who provided Lender's Letter) and the alternative lender fails to meet the Settlement Date; OR~~
- ~~(d) Buyer not having in down payment, closing fees and any other required funds, including without limitation any additional funds required to be tendered by Buyer if the Appraisal is lower than the Sales Price, provided the Contract is not contingent on an Appraisal or the Appraisal Contingency has been removed; OR~~
- ~~(e) Makes any deliberate misrepresentations, material omissions or inaccuracies in financial information that results in the Buyer's inability to secure the financing; OR~~
- ~~(f) Failure to make application for proper insurance, as required, by lender within 7 days of Date of Ratification; OR~~
- ~~(g) Does or fails to do any act following the Date of Ratification that prevents Buyer from completing Settlement.~~

~~Buyer hereby authorizes agent to disclose and deliver to Seller and Lender the credit information provided to agent by Buyer. In the event the Buyer will assume Seller's mortgage loan, interest, insurance and escrows on existing encumbrances shall be prorated to the date of Settlement. In the event there is any increase in the loan origination or discount fees, then Buyer agrees to pay any increase in said fees. At the Buyer's sole discretion, the loan origination or discount fees to be paid by Seller may be assigned to an equivalent dollar credit which shall be applied as directed by Buyer and is allowed by lender. Seller agrees to comply with reasonable lender requirements.~~

~~Option (c) This Contract is not contingent upon Buyer obtaining approval for loan(s) to purchase the Property. Buyer acknowledges that there is not a Financing Contingency. Buyer has provided sufficient documentation to satisfy Seller that Buyer has been approved for the Specified Financing or has sufficient funds available to complete Settlement without obtaining financing. If Buyer fails to settle except due to any Default by Seller, then the provisions of the Default paragraph shall apply. The provisions of the "FINANCING" paragraph of the M/R Contract are hereby removed.~~

**13. SETTLEMENT ENTITY:** Buyer hereby authorizes the undersigned agent to effect the examination of title and the preparation of all necessary conveyance documents through \_\_\_\_\_.

**14. DISPUTES:** In the event of any dispute between Seller and broker(s) and/or Buyer and broker(s) resulting in broker(s) or any agents, subagents or employees of broker(s) being made a party to such dispute including, but not limited to, any litigation, arbitration, or complaint and claim before the Maryland Real Estate Commission, whether as defendant, cross-defendant, third-party defendant or respondent, Seller and Buyer jointly and severally, agree to indemnify and hold broker(s) and any agents, subagents, and employees of broker(s) harmless from any liability, loss, cost, damage or expense (including filing fees, court costs, service of process fees, transcript fees and attorney fees), resulting there from provided that such dispute does not result in a judgment or decision against broker(s), broker(s)' agent, subagents or employees for acting in property.

**THE FOLLOWING PARAGRAPHS (15-25) APPLY ONLY TO THE REGIONAL CONTRACT:**

**15. MARYLAND NON-RESIDENT SELLER:** Except as otherwise provided by Maryland law, if the Property is not the Seller's principal residence, and the Seller is a nonresident individual of the State of Maryland or is a non-resident entity which is not formed under the laws of the State of Maryland or qualified to do business in the State of Maryland, a portion of the proceeds of sale may be withheld at the time of settlement and paid to the State of Maryland towards a potential capital gains tax liability. For more information see [www.marylandtaxes.com](http://www.marylandtaxes.com).

**16. SETTLEMENT COSTS:** NOTICE TO BUYER. Buyer has the right to select Buyer's own title insurance company, title lawyer, settlement company, escrow company, mortgage lender or financial institution as defined in the Financial Institutions Article, Annotated Code of Maryland. Buyer acknowledges that Seller may not be prohibited from offering owner financing as a condition of settlement.

**17. ADDITIONAL DEFAULT PROVISIONS:** The first paragraph of Paragraph 26 of the Regional Contract is replaced with the following:

Buyer will be in Default even if the Financing Contingency has not been removed if Settlement does not occur on the Settlement Date as a result of any of the following:

- (a) Failure to lock-in the interest rate(s) and the rate(s) increase so that Buyer does not qualify for such financing; OR
- (b) Failure to comply with the lender's reasonable requirements in a timely and diligent manner; OR
- (c) Application is made with an alternative lender (one other than the lender who provided Lender's Letter) and the alternative lender fails to meet the Settlement Date; OR
- (d) Does not have the down payment, closing fees and any other required funds, including without limitation, any additional funds required to be tendered by Buyer if the Appraisal is lower than the Sales Price, provided the Contract is not contingent on an Appraisal or the Appraisal Contingency has been removed; OR
- (e) Makes any deliberate misrepresentations, material omissions or inaccuracies in financial information that results in the Buyer's inability to secure the financing; OR
- (f) Failure to make application for property insurance, if required, by lender within 7 days of Date of Ratification; OR
- (g) Does or fails to do any act following the Date of Ratification that prevents Buyer from completing Settlement

**18. SELLER RESPONSIBILITY:** Seller agrees to keep existing mortgages free of default until Settlement. All violations of requirements noted or issued by any governmental authority, or actions in any court on account thereof, against or affecting the Property at the date of Settlement of this Contract, shall be complied with by the Seller and the Property conveyed free thereof.

**19. SINGLE FAMILY RESIDENTIAL REAL PROPERTY DISCLOSURE NOTICE:** Maryland buyers are advised of the right to receive a Disclosure and Disclaimer Statement from seller unless exempt (Section 10-702 Real Property Article, Annotated Code of Maryland).

**20. WETLANDS NOTICE:** The Buyer is advised that if all or a portion of the Property being purchased is wetlands, the approval of the U.S. Army Corps of Engineers will be necessary before a building permit can be issued for the Property. Additionally, the future use of existing dwellings may be restricted due to wetlands. The Corps has adopted a broad definition of wetlands, which encompasses a large portion of the Chesapeake Bay Region. Other portions of the State may also be considered wetlands. For information as to whether the Property includes wetlands, Buyer may contact the Baltimore District of the U.S. Army Corps of Engineers. Buyer may also elect, at Buyer's expense, to engage the services of a qualified specialist to inspect the Property for the presence of wetlands prior to submitting a written offer to purchase the Property, or Buyer may include in Buyer's written offer, subject to the Seller's acceptance, a clause making Buyer's purchase of the Property contingent upon a satisfactory wetlands inspection.

**21. GUARANTY FUND. NOTICE TO BUYER:** The Buyer is protected by the real estate Guaranty Fund of the Maryland Real Estate Commission for losses covered by Section 17-404 of the Business Occupations and Professions Article of the Maryland Code of Annotated in an amount not exceeding \$25,000 for any claim.

**22. HOME AND/OR ENVIRONMENTAL INSPECTION:** Buyer acknowledges, subject to Seller acceptance, that Buyer is afforded the opportunity, at Buyer's sole cost and expense, to condition Buyer's purchase of the Property upon a Home Inspection and/or Environmental Inspection in order to ascertain the physical condition of the Property or the existence of environmental hazards. If Buyer desires a Home Inspection and/or Environmental Inspection contingency, such contingency must be included in an Addendum to this Contract at the time it is signed by Buyer. Buyer acknowledges that neither the brokers and/or their agents nor subagents are responsible for property defects.

**B→** Addenda Attached                                           Inspections Declined                                            
*Buyer's Initials* *Buyer's Initials*

**23. CRITICAL AREAS ADDENDUM:** Buyer is advised that all or a portion of the property may be located in the "Critical Area" of the Chesapeake and Atlantic Coastal Bays, and that additional zoning, land use, and resource protection regulations apply in this area. The "Critical Area" generally consists of all land and water areas within 1,000 feet beyond the landward boundaries of state or private wetlands, the Chesapeake Bay, the Atlantic Coastal Bays, and all their tidal tributaries. The "Critical Area" also includes the waters of and lands under the Chesapeake Bay, the Atlantic Coastal Bays and all of their tidal tributaries to the head of the tide. For information as to whether the property is located within the Critical Area, Buyer may contact the local Department of Planning and Zoning, which maintains maps showing the extent of the Critical Area in the jurisdiction. Allegany, Carroll, Frederick, Garrett, Howard, Montgomery and Washington Counties do not include land located in the Critical Area.

**24. NOTICE TO THE PARTIES:** Brokers, their agents, subagents and employees do not assume any responsibility for the condition of the Property or for the performance of the Contract by any or all parties hereto. By signing this Contract, Buyer and Seller acknowledge that they have not relied on any representations made by the brokers, or any agents, subagents or employees of the brokers, except those representations expressly set forth in this Contract. Further, the brokers, their agents, subagents and employees, make no representations nor assume any responsibility with respect to the following:

- A. Condition of real or personal property.
- B. Water quality, color or taste or operating conditions of private water systems.
- C. Location, size or operating condition of private septic systems.
- D. The extensions of public utilities by local municipal authorities, existence or availability of public utilities, and any assessments, fees or costs for public utilities which might be imposed by local municipal authorities, should public utilities be extended or available to the subject Property. (The Buyer should consult the Department of Public Works to determine the availability of proposed future extensions of utilities.)
- E. Lot size and exact location. If the subject Property is part of a recorded subdivision, the Buyer can review the plat upon request at the Maryland National Capital Park and Planning Commission or the Circuit Court, Clerk's Office. If the subject Property is not part of a recorded subdivision, the Buyer may verify exact size and location through a survey by a registered engineer or a land surveyor, at Buyer's expense.
- F. Existing zoning or permitted uses of the Property. Buyer should verify with the Zoning Office and/or a licensed engineer to determine zoning and permitted uses.
- G. Certain other issues including, without limitation: soil conditions; flood hazard areas; possible restrictions of the use of property due to restrictive covenants, subdivision, environmental laws, easements or other documents; airport or aircraft noise; planned land use, roads or highways; and construction materials and/or hazardous materials, including without limitation flame retardant treated plywood (FRT), radon, mold, urea formaldehyde foam insulation (UFFI), asbestos, and lead-based paint. Information relating to these issues may be available from appropriate governmental authorities. This disclosure is not intended to provide an inspection contingency.

**25. DEPOSIT:** Buyer hereby authorizes and directs broker as specified in this Contract to hold the initial deposit instrument without negotiation or deposit until the parties have executed and accepted this Contract. Upon acceptance, the initial deposit and additional deposit, if any, shall be placed in escrow as provided below and in accordance with the requirements of Section 17-502(b) (1), Business Occupations and Professions Article, Annotated Code of Maryland. If Seller does not execute and accept this Contract, the initial deposit instrument shall be promptly returned to Buyer. Brokers may charge a fee for establishing an interest-bearing account. Buyer and Seller instruct broker to place all deposit monies in: **(Check One)**

A non interest-bearing account.

**OR**

An interest-bearing account, the interest on which, in absence of default by Buyer, shall accrue to the benefit of Buyer.

<b>S</b> →					<b>←B</b>
	Seller	Date	Buyer	Date	
<b>S</b> →					<b>←B</b>
	Seller	Date	Buyer	Date	
<b>S</b> →					<b>←B</b>
	Seller's address		Buyer's address		
<b>S</b> →					<b>←B</b>
	Seller's address		Buyer's address		
<b>S</b> →					<b>←B</b>
	Seller's telephone number		Buyer's telephone number		
<b>S</b> →					<b>←B</b>
	Seller's facsimile number		Buyer's facsimile number		
<b>S</b> →					<b>←B</b>
	Seller's email address		Buyer's email address		

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## Some Information Relative to the Purchase of Real Estate (For use in Montgomery County, MD and Washington, DC)

**This information is provided to assist Buyers prior to entering into a contract for the purchase of residential real property. Buyers should investigate any areas of concern prior to making an offer to purchase.**

1. **LEGAL REQUIREMENTS:** All contracts for real property are required to be in writing to be legally enforceable. The “Maryland Association of Realtors® Residential Contract of Sale” (MAR) is for use in Maryland and the “Regional Sales Contract” (Regional) is for use in Maryland and Washington, DC. Appropriate jurisdictional and other addenda are required with each contract. Buyers have the right to have legal counsel review these forms.
2. **AGENCY RELATIONSHIPS:** All Buyers must be provided written disclosures about various Agency relationships on forms specified by each jurisdiction. If Buyers choose to have an agent represent them, they must enter into a written Buyer Agency Agreement.
3. **FAIR HOUSING:** In compliance with Federal Fair Housing regulations, properties shall be made available to all persons without regard to race, color, religion, national origin, sex, handicap and familial status. Washington, DC and Montgomery County, MD both recognize additional protected classes.
4. **LAND USE:** Land uses may be restricted or impacted on some properties by covenants, easements, zoning, subdivision regulations, historic preservation regulations, environmental laws, airport noise, planned land uses, road or highway rights of way, federal, state, county and/or local or municipal restrictions or statutes, or other regulations. To ascertain how such restrictions may impact the use of a specific property, information should be sought through the appropriate government agency and/or a title search.
5. **PROPERTY TAXES:**
  - A. **Tax Bill Increases:** Your property tax bill could increase substantially following settlement. For owner-occupied properties, both Maryland and Washington, DC have programs (Homestead Exemption) which limit the amount that taxes on real property may increase from one year to the next. Once the property transfers to a new owner, the prior limits are removed which may result in a significant increase in the tax bill. Subsequent to your settlement, you may apply to have the Homestead Exemption reinstated.
  - B. **Right of Appeal:** You have the right to appeal the next year’s property tax assessment within strict timeframes following settlement. For more information on property taxes, contact the Maryland State Department of Assessments and Taxation, the Montgomery County Department of Finance or the District of Columbia Office of Tax and Revenue.
  - C. **Disclosure of Future Property Taxes:** Montgomery County Law requires a Seller to disclose the estimated amount of the tax bill for the first fiscal year following settlement. While Washington, DC

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does not have such a requirement, the following year's assessment is available from the District of Columbia Office of Tax and Revenue prior to the issuance of the tax bill.

**6. INSPECTIONS:** Buyers may include in their offer the right to employ a professional engineer, home inspection specialist, environmental firm or other expert(s) of their choice to inspect the property for possible hazardous substances, building material concerns and defects. Hazardous substances and building materials of concern may include, but are not limited to, asbestos, cleaning chemicals, indoor pollutants, lawn and garden chemicals, lead, mold spores, paint, radon, radium, fire retardant treated plywood (FRT), polybutelene pipes, and synthetic stucco (EIFS). Other factors may include contaminated groundwater, nearby landfills and other disposal sites, industrial sites, and noxious air or aircraft flight noise. Agents do not have the technical expertise to advise Buyers of the presence of such factors or whether or not they pose a problem. Buyers may obtain information from specialists or governmental agencies. In Maryland, home inspectors are required to be licensed.

**7. TENANT RIGHTS:** Properties located in Washington, DC and within the City of Takoma Park, Maryland that are tenant-occupied or otherwise defined as residential rental property (Rental Accommodation) will be subject to certain restrictions, regulations and requirements at the time of resale. These restrictions may include, but are not limited to: Tenant First Right of Refusal to Purchase the Rental Accommodation, DC Tenant Opportunity to Purchase Act, the obligation to provide documentation and reports relative to the licensing of the Rental Accommodation. Properties under lease may have other contractual obligations. It is imperative that a Buyer be familiar with the complexities of purchasing a tenant-occupied property prior to entering into a contract.

**8. FINANCING:** Mortgage rates, fees and products vary considerably among financial institutions. Buyers have the right to select the lender and to negotiate the terms and conditions of their loan.

**9. WARRANTY:** A number of companies provide home warranty programs with various types of coverage and deductibles. Consult your agent for further information.

**10. PROPERTY INSURANCE:** Property insurance rates and availability are determined in part by the number and nature of claims and inquiries made on a property's policy, as well as the number and nature of claims made by a prospective Buyer.

**11. CRIMINAL ACTIVITY:** Information about criminal activity or the presence of registered sexual offenders who live within the vicinity of a property may be obtained by contacting the state, county or municipal police departments in which the Property is located and National/State Sex Offender Registry. Buyer is solely responsible for conducting the investigation of these facts. Buyer further acknowledges that no real estate licensee involved in the sale or purchase of a property, whether acting as the agent for Seller or Buyer, has or assumes any duty or responsibility to ascertain criminal activity or the presence of registered sexual offenders in the vicinity of the Property.

**12. HOMEOWNER ASSOCIATIONS, CONDOMINIUMS, COOPERATIVES DISCLOSURES:**

**A. Maryland:** If the property is a condominium, or part of a homeowner association which has the right to impose a mandatory fee, the Seller must provide the Buyer within a specified period of time a package of documents which may include: covenants, restrictions, by-laws and financial information ("Resale Package"). The Buyer is then entitled to a non-waivable period to review the Resale Package, during which the Buyer has the right to void the contract. If the property is a cooperative unit, and the

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GCAAR Cooperative Resale Addendum is incorporated into the contract, the Buyer would have similar review and rescission rights.

**B. Washington, DC:** If the property is a condominium, the Seller must provide the Buyer within a specified period of time a package of documents which may include: covenants, restrictions, by-laws and financial information (“Resale Package”). The Buyer is then entitled to a non-waivable period to review the Resale Package, during which the Buyer has the right to void the contract. If the property is a cooperative unit or part of a homeowner association, and the GCAAR Cooperative Resale Addendum or Homeowner Association Resale Addendum, as applicable, is incorporated in the contract, the Buyer would have similar review and rescission rights.

**13. PROPERTY CONDITION DISCLOSURE/DISCLAIMER:** Sellers are required to disclose known latent defects, even if the property is sold in “as is” condition.

**A. Maryland:** The State of Maryland requires Sellers (with limited exceptions) to complete and furnish to the Buyer the “Maryland Property Disclosure and Disclaimer Statement”.

**B. Washington, DC:** In Washington, DC, Sellers (with limited exceptions) are required to complete and furnish to the Buyer the “Sellers Disclosure Statement”.

Should the required statements not be completed and provided prior to contract ratification, the Buyer has a statutory period to void the contract after receipt of the required Statement. Information provided is based on actual knowledge of the Seller and should not be considered as a substitute for the Buyer having an inspection by a home inspection specialist, environmental firm or an engineer.

**14. TRANSFER AND RECORDATION FEES:**

**A.** In Washington, DC unless otherwise negotiated in the contract, the recordation tax is paid by the Buyer and the transfer tax paid by the Seller.

**B.** With the exception of a First Time Maryland Owner-Occupant Home Buyer, Maryland law requires that, unless otherwise negotiated in the sales contract, the cost of any recordation tax or State and County transfer tax shall be shared equally between Buyer and Seller. In the event the Buyer is a First Time Maryland Owner-Occupant Home Buyer, the Buyer’s portion of the State transfer tax is waived, and unless negotiated otherwise, the Seller pays all of the transfer and recordation taxes.

**15. GOVERNMENT REGULATIONS DISCLOSURE:** The State of Maryland and Montgomery County require Sellers to make many disclosures regarding taxes on the property and on laws and regulations that may restrict or affect land use. Buyers of property located in Montgomery County should receive a completed and signed “Government Regulations, Easements and Assessments Disclosure” prior to entering into a contract.

I/we acknowledge receipt of this notice from Jeff Annis, Principal Broker (Agent), affiliated with Jeff Annis Real Estate LLC (Broker) Phone(s): 301-654-2500

the undersigned, 2009  
Buyer (printed name) Date

Buyer (printed name) Date

Signature

Signature

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STATE OF MARYLAND  
REAL ESTATE COMMISSION

## Understanding Whom Real Estate Agents Represent

Before you decide to sell or buy or rent a home you need to consider the following information:

### Agents Who Represent the Seller

**Seller's Agent:** A seller's agent works for the real estate company that lists and markets the property for the sellers, or landlords, and exclusively represents the sellers or landlords. That means that he or she may assist the buyer or tenant in purchasing or renting the property, but his or her duty of loyalty is only to the sellers or landlords. The seller pays the seller's agent's fees as specified in a written listing agreement.

**Cooperating Agent:** A cooperating agent works for a real estate company different from the company for which the seller's agent works. The cooperating agent can assist a buyer or tenant in purchasing or renting a property, but his or her duty of loyalty is only to the sellers or landlords. The cooperating agent's fee is paid by the sellers or landlords through the seller's agent's company.

### Agents Who Represent the Buyer

**Presumed Buyer's Agent (no written agreement):** When a person goes to a real estate agent for assistance in finding a home to buy or rent, the agent is presumed to be representing the buyer and can show the buyer properties that are *not* listed by the agent's real estate company. A presumed buyer's agent may *not* make or prepare an offer or negotiate a sale for the buyer. The buyer does *not* have an obligation to pay anything to the presumed agent.

If for any reason the buyer does not want the agent to represent him or her as a presumed agent, either *initially* or *at any time*, the buyer can decline or terminate a presumed agency relationship simply by saying so.

**Buyer's Agent (by written agreement):** A buyer or tenant may enter into a written contract with a real estate agent which provides that the agent will represent the buyer or tenant in locating a property to buy or rent. The agent is then known as the buyer's agent. That agent assists the buyer in evaluating properties and preparing offers, and negotiates in the best interests of the buyer or tenant. The agent's fee is paid according to the written agreement between the agent and the buyer or tenant. If you as a buyer or tenant wish to have an agent represent you exclusively, you must enter into a written buyer agency agreement.

### Dual Agents

The possibility of **dual agency** arises when the buyer's agent and the seller's agent both work for the same real estate company, and the buyer is interested in property listed by that company. The real estate company, or broker, is called the "dual agent". Dual agents do not act exclusively in the interests of either the seller or buyer, or landlord or tenant, and therefore cannot give undivided loyalty to either party. There may be a conflict of interest because the interests of the seller and buyer may be different or adverse.

**If both seller and buyer, or landlord and tenant, agree to dual agency** by signing a Consent For Dual Agency form, then the real estate company (the "dual agent") will assign one agent to represent the seller or landlord (the seller's "intra-company agent") and another agent to represent the buyer or tenant (the buyer's "intra-company agent"). Intra-company agents may provide the same services to their clients as exclusive seller's or buyer's agents, including advising their clients as to price and negotiation strategy, provided the clients have both consented to be represented by dual agency.

**If either party does not agree to dual agency**, the real estate company may withdraw the agency agreement for that particular property with either the buyer or seller, or both. If the seller's agreement is terminated, the seller must then either represent him or herself or arrange to be represented by an agent from another real estate company. If the buyer's agreement is terminated, the buyer or tenant may choose to enter into a written buyer agency agreement with an agent from a different company. Alternatively, the buyer or tenant may choose not to be represented by an agent of his or her own but simply to receive assistance from the seller's agent, from another agent in that company, or from a cooperating agent from another company.

No matter what type of agent you choose to work with, you have the following rights and responsibilities in selling or buying or renting property:

>Real estate agents are obligated by law to treat all parties to a real estate transaction honestly and fairly. They must exercise reasonable care and diligence and maintain the confidentiality of clients. They must not discriminate in the offering of properties; they must promptly present each written offer or counteroffer to the other party; and they must answer questions truthfully.

>Real estate agents must disclose all material facts that they know or should know relating to a property. An agent's duty to maintain confidentiality does not apply to the disclosure of material facts about a property.

>All agreements with real estate agents should be in writing and should explain the duties and obligations of the agent. The agreement should explain how the agent will be paid and any fee-sharing agreements with other agents.

>You have the responsibility to protect your own interests. You should carefully read all agreements to make sure they accurately reflect your understanding. A real estate agent is qualified to advise you on real estate matters only. If you need legal or tax advice, it is your responsibility to consult a licensed attorney or accountant.

Any complaints about a real estate agent may be filed with the Real Estate Commission at 500 North Calvert Street, Baltimore, MD 21202. (410) 230-6200.

This notice is information required by law and is NOT A CONTRACT

We, the  Sellers/Landlord  Buyers/Tenants acknowledge receipt of a copy of this disclosure and that Jeff Annis Real Estate LLC (firm name)

And Jeff Annis (salesperson) are working as:

- Seller/landlord's agent
- Cooperating agent
- Buyer's agent
- Dual agent (See Consent for Dual Agency form)  
(you may check more than one box)

B →

\_\_\_\_\_, \_\_\_\_\_  
Signature Date

\_\_\_\_\_, \_\_\_\_\_  
Signature Date

← B

I certify that on this date I made the required agency disclosure to the individuals identified below and they were unable or unwilling to acknowledge receipt of a copy of this disclosure statement.

\_\_\_\_\_  
Signature of agent Date

\_\_\_\_\_  
Name of individual to whom disclosure was made

\_\_\_\_\_  
Name of individual to whom disclosure was made



**NOTICE TO BUYER AND SELLER OF BUYER'S RIGHTS AND SELLER'S OBLIGATIONS UNDER MARYLAND'S SINGLE FAMILY RESIDENTIAL PROPERTY CONDITION DISCLOSURE LAW**

ADDENDUM # 1 dated \_\_\_\_\_, 2009 to the Contract of Sale dated \_\_\_\_\_, between Buyer the undersigned and Seller Jeffrey and Terri L Annis for Property known as 5219 Goddard Road Bethesda Montgomery 20814-1303  
Lot 13 & Pt 14 Block H Subdivision Battery Park

NOTE: This notice does not apply to: (1) the initial sale of single family residential property which has never been occupied, or for which a certificate of occupancy has been issued within one year prior to the date of the Contract; (2) a transfer that is exempt from the transfer tax under Subsection 13-207 of the Tax-Property Article, except land installments contracts of sale under Subsection 13-207(a)(11) of the Tax-Property Article and options to purchase real property under Subsection 13-207(a)(12) of the Tax-Property Article; (3) a sale by a lender or an affiliate or subsidiary of a lender that acquired the real property by foreclosure or deed in lieu of foreclosure; (4) a sheriff's sale, tax sale, or sale by foreclosure, partition or by court appointed trustee; (5) a transfer by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust; (6) a transfer of single family residential real property to be converted by the buyer into a use other than residential use or to be demolished; or (7) a sale of unimproved real property.

Section 10-702 of the Real Property Article of the Annotated Code of Maryland ("Section 10-702") requires that a seller of a single family residential property ("the property") deliver to each buyer, on or before entering into a contract of sale, on a form published and prepared by the Maryland Real Estate Commission, **EITHER:**

- (A) A written property condition disclosure statement listing all defects including latent defects, or information of which the seller has actual knowledge in relation to the following:
  - (i) Water and sewer systems, including the source of household water, water treatment systems, and sprinkler systems;
  - (ii) Insulation;
  - (iii) Structural systems, including the roof, walls, floors, foundation and any basement;
  - (iv) Plumbing, electrical, heating, and air conditioning systems;
  - (v) Infestation of wood-destroying insects;
  - (vi) Land use matters;
  - (vii) Hazardous or regulated materials, including asbestos, lead-based paint, radon, underground storage tanks, and licensed landfills;
  - (viii) Any other material defects, including latent defects, of which the seller has actual knowledge;
  - (ix) Whether the smoke detectors will provide an alarm in the event of a power Outage; and
  - (x) **If the property relies on the combustion of a fossil fuel for heat, ventilation, hot water, or clothes dryer operation, whether a carbon monoxide alarm is installed on the property.**

Latent defects under Section 10-702 means material defects in real property or an improvement to real property that:

- (i) A buyer would not reasonably be expected to ascertain or observe by a careful visual inspection, and
- (ii) Would pose a threat to the health or safety of the buyer or an occupant of the property, including a tenant or invitee of the buyer;

OR

- (B) A written disclaimer statement providing that:
  - (i) Except for latent defects of which the seller has actual knowledge, the seller makes no representations or warranties as to the condition of the real property or any improvements on the real property; and
  - (ii) The buyer will be receiving the real property "as is," with all defects, including latent defects, that may exist, except as otherwise provided in the contract of sale of the property.

B →



Buyer \_\_\_ / \_\_\_

Seller \_\_\_ / \_\_\_



← S

At the time the disclosure or disclaimer statement is delivered to you ("the buyer"), you are required to date and sign a written acknowledgement of receipt on the disclosure or disclaimer statement which shall be included in or attached to the contract of sale.

Section 10-702 further provides that a buyer who receives the disclosure or disclaimer statement on or before entering into a contract of sale does not have the right to rescind the contract based upon the information contained in the disclosure or disclaimer statement.

You are hereby notified that, in certain circumstances, you have the right to rescind your contract with the seller if the seller fails to deliver to you the written property condition disclosure or disclaimer statement. Section 10-702 provides that a buyer who does not receive the disclosure or disclaimer statement on or before entering into the contract has the unconditional right, upon written notice to the seller or seller's agent:

- (i) To rescind the contract at any time before the receipt of the disclosure or disclaimer statement or within 5 days following receipt of the disclosure or disclaimer statement; and
- (ii) To the immediate return of any deposits made on account of the contract.

Your right to rescind the contract under Section 10-702 terminates if not exercised before making a written application to a lender for a mortgage loan, if the lender discloses in writing at or before the time application is made that the right to rescind terminates on submission of the application or within 5 days following receipt of a written disclosure from a lender who has received your application for a mortgage loan, if the lender's disclosure states that your right to rescind terminates at the end of that 5 day period.

Your rights as a buyer under Section 10-702 may not be waived in the contract and any attempted waiver is void. Your rights as the buyer to terminate the contract under Section 10-702 are waived conclusively if not exercised before:

- (i) Closing or occupancy by you, whichever occurs first, in the event of a sale; or
- (ii) Occupancy, in the event of a lease with option to purchase.

The information contained in the property condition disclosure statement is the representation of the seller and not the representation of the real estate broker or sales person, if any. A disclosure by the seller is not a substitute for an inspection by an independent professional home inspection company. You should consider obtaining such an inspection. The information contained in a disclosure statement by the seller is not a warranty by the seller as to the condition of the property of which condition the seller has no actual knowledge or other condition, including latent defects, of which the seller has no actual knowledge. The seller is not required to undertake or provide an independent investigation or inspection of the property in order to make the disclosures required by Section 10-702. The seller is not liable for an error, inaccuracy or omission in the disclosure statement if the error, inaccuracy or omission was based upon information that was not within the actual knowledge of the seller or was provided to the seller by a third party as specified in Section 10-702(i) or (j).

You may wish to obtain professional advice about the property or obtain an inspection of the property.

The undersigned buyer(s) and seller(s) acknowledge receipt of this notice on the date indicated below and acknowledge that the real estate licensee(s) named below have informed the buyer(s) and the seller(s) of the buyer(s)' rights and the seller(s)' obligations under Section 10-702.

<b>B→</b>	<input type="text"/>	_____	<input type="text"/>	<input type="text"/>	<b>←S</b>
	Buyer's Signature	Date	Seller's Signature	Date	
<b>B→</b>	<input type="text"/>	_____	<input type="text"/>	<input type="text"/>	<b>←S</b>
	Buyer's Signature	Date	Seller's Signature	Date	
<b>B→</b>	<input type="text"/>	_____	<input type="text"/>	<input type="text"/>	<b>←S</b>
	Agent's Signature	Date	Agent's Signature	Date	

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FINANCIAL INFORMATION SHEET

This information is presented with the understanding that it may be used as a basis for the acceptance of a contract by the seller. The undersigned hereby authorizes the agent to disclose to the seller, seller's agents, dual agents cooperating agents and any lender all or any portion of the information sheet.

Buyer (Full Name)
Residence Phone ( ) Business Phone ( ) Other ( )
Present Address
Years at Present Address Own \$ PITI or Rent \$ Per Month
Previous Address
Occupation (Position & Title) # of Years
Place of Employment (Name & Address)
Previous Employer (Name & Address) # of Years

Co-Buyer (Full Name)
Residence Phone ( ) Business Phone ( ) Other ( )
Present Address
Years at Present Address Own \$ PITI or Rent \$ Per month
Previous Address
Occupation (Position & Title) # of Years
Place of Employment (Name & Address)
Previous Employer (Name & Address) # of Years

Table with columns: GROSS ANNUAL INCOME, Buyer, Co-Buyer. Rows include Base Salary, Overtime, Bonuses, Commissions, Dividends, Net Rental Income, Other, and TOTAL. Includes questions about self-employment and dependents.

ASSETS:
Present Residence (if owned): Mkt. Value \$ Mtg. Balance(s) \$ Lender(s)
Checking \$ Bank
Savings \$ Bank
Credit Union \$ Bank
Stocks \$ Bonds \$ Life Insurance-Cash \$ Face Value \$
Other Assets: (Specify)

LIABILITIES: (Outstanding obligations including auto, mortgage(s), credit card(s), personal loan(s) and/or cosigned loans and all other obligations.)
Table with columns: Type, Creditor's Name, Unpaid Balance, Payoff Date, # of Payments Remaining, Monthly Payment.

- Has any buyer ever declared bankruptcy?
Are there any outstanding judgments, lawsuits or tax liens current?
Are you aware of any factors or conditions that could adversely affect any buyers ability to obtain a mortgage loan?
Is any part of the down payment or settlement costs being obtained from a source other than from assets listed above?

I (we) certify that I (we) are over the age of majority and that the above information is true and accurate to the best of my (our) knowledge and by my (our) signature(s) acknowledge receipt of this financial information sheet.

Buyer Date Co-Buyer Date

\* First-time Maryland home buyer means an individual who has never owned in the State, residential real property that has been the individual's principal residence, which will be occupied by the buyer as the buyer's principal resident.