



**...Expect More<sup>SM</sup>**  
March 3, 2010

Champion Realty  
Attention: Mary Richardson

Re: Matthew P. Kilmurry

Dear Mary,

The above-referenced applicant has been pre-qualified to purchase a home under the following parameters:

Sales Price:	\$332,000
Loan Type:	FHA
Loan Amount:	\$325,986
Loan Program:	30 Year Fixed

This determination is based on the review of a 3-bureau credit report, analysis of income & credit. Mr. Kilmurry has a good credit profile, and he exceeds the requirement of the specified program. He has very good credit and is well qualified for this purchase.

Formal commitment will be issued following an underwriter's review of a complete credit file, income documents and a contract of sale along with an appraisal to support the transaction.

Please call with questions 410.224.7134, and *thank you* for the opportunity to assist you with this customer.

Very truly yours,

A handwritten signature in dark ink, appearing to read "Lewis H. Ivey III".

Lewis H. Ivey III  
Home Mortgage Consultant  
Champion Realty Mortgage, Joint Venture of Wells Fargo Home Mortgage

[www.LewisIvey.com](http://www.LewisIvey.com)

410-224-7134 • Fax 410-224-3542

Lewis H. Ivey III • 711 Bestgate Rd. Annapolis, MD 21401



*You Can Expect More From A Champion<sup>SM</sup>*





## RESIDENTIAL CONTRACT OF SALE

*This is a Legally Binding Contract; If Not Understood, Seek Competent Legal Advice.*

THIS FORM IS DESIGNED AND INTENDED FOR THE SALE AND PURCHASE OF IMPROVED SINGLE FAMILY RESIDENTIAL REAL ESTATE LOCATED IN MARYLAND ONLY. FOR OTHER TYPES OF PROPERTY INCLUDE APPROPRIATE ADDENDA.

**TIME IS OF THE ESSENCE.** Time is of the essence of this Contract. The failure of Seller or Buyer to perform any act as provided in this Contract by a prescribed date or within a prescribed time period shall be a default under this Contract and the non-defaulting party, upon written notice to the defaulting party, may declare this Contract null and void and of no further legal force and effect. In such event, all Deposit(s) shall be disbursed in accordance with Paragraph 19 of this Contract.

1. **DATE OF OFFER:** March 03, 2010

2. **SELLER:** Julius L. Sager, Patricia A. Sager

3. **BUYER:** Matthew P. Kilmurry

4. **PROPERTY:** Seller does sell to Buyer and Buyer does purchase from Seller, all of the following described Property (hereinafter "Property") known as 1712 Angel Ct, Severn, MD located in Severn / Anne Arundel City/County, Maryland, Zip 21144-, together with the improvements thereon, and all rights and appurtenances thereto belonging.

5. **ESTATE:** The Property is being conveyed: ☒ in fee simple or ☐ subject to an annual ground rent, now existing or to be created, in the amount of Zero Dollars (\$ 0.00) payable semi-annually, as now or to be recorded among the Land Records of Severn / Anne Arundel City/County, Maryland.

6. **PURCHASE PRICE:** The purchase price is Three Hundred Thirty Two Thousand Dollars (\$ 332,000.00).

7. **PAYMENT TERMS:** The payment of the purchase price shall be made by Buyer as follows:

(a) An initial Deposits by way of Check in the amount of Five Thousand Dollars (\$ 5,000.00) at the time of this offer.

(b) An additional Deposit by way of N/A in the amount of Zero Dollars (\$ 0.00) to be paid within Zero ( 0 ) days from the Date of Contract Acceptance.

(c) All Deposits will be held in escrow by: Champion Realty, Inc.  
(If not a Maryland licensed real estate broker, the parties may execute a separate escrow deposit agreement.)

(d) The purchase price less any and all Deposits shall be paid in full by Buyer in cash, wired funds, bank check, certified check or other payment acceptable to the settlement officer at settlement.

(e) Buyer and Seller instruct broker named in paragraph (c) above to place the Deposits in: **(Mark 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. Broker may charge a fee for establishing an interest bearing account.

8. **SETTLEMENT:** Date of Settlement 4-22-10 or sooner if agreed to in writing by the parties.

9. **FINANCING:** Buyer's obligation to purchase the Property is contingent upon Buyer obtaining a written commitment for a loan secured by the Property as follows:

(Mark) ☐ Conventional Loan as follows:  
Loan Amount \$ \_\_\_\_\_  
Term of Note    Years  
Amortization    Years  
Interest Rate    %  
Loan Program Fixed  
Loan Origination/Discount Fees (as a % of loan amount):  
Buyer agrees to pay 0 %; ☐ No Financing Contingency  
Seller agrees to pay 0 %.  
Buyer shall receive the benefit of any reduction in fees.

☒ FHA Financing Addendum  
☐ Gift of Funds Contingency Addendum  
☐ Owner Financing Addendum  
☐ VA Financing Addendum  
☐ Assumption Addendum  
☐ OTHER: \_\_\_\_\_



Buyer Mk

Page 1 of 11 Revised 10/09

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



**10. FINANCING APPLICATION AND COMMITMENT:** Buyer agrees to make a written application for the financing as herein described within Three ( 3 ) days from the Date of Contract Acceptance. If such written financing commitment is not obtained by Buyer within Twenty ( 20 ) days from the Date of Contract Acceptance: (1) Seller, at Seller's election and upon written notice to Buyer, may declare this Contract null and void and of no further legal effect; or (2) Buyer, upon written notice to Seller, which shall include written evidence from the lender of Buyer's inability to obtain financing as provided in Paragraph 9 of this Contract, may declare this Contract null and void and of no further legal effect. In either case, the deposit shall be disbursed in accordance with the Deposit paragraph of this Contract. If Buyer has complied with all of Buyer's obligations under this Contract, including those with respect to applying for financing and seeking to obtain financing, then the Release of Deposit agreement shall provide that the deposit shall be returned to Buyer.

**11. ALTERNATE FINANCING:** Provided Buyer timely and diligently pursues the financing described in Paragraph 9 "Financing"; Paragraph 10 "Financing Application and Commitment"; and the provisions of Paragraph 28 "Buyer Responsibility", Buyer, at Buyer's election, may also apply for alternate financing. If Buyer, at Buyer's sole option, obtains a written commitment for financing in which the loan amount, term of note, amortization period, interest rate, down payment or loan program differ from the financing as described in Paragraph 9, or any addendum to this Contract, the provision of Paragraph 10 or any addendum to this Contract shall be deemed to have been fully satisfied. Such alternate financing may not increase costs to Seller or exceed the time allowed to secure the financing commitment as provided in Paragraph 10, or any addendum to this Contract.

**12. 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. Buyer and Seller acknowledge that Brokers, agents or subagents are not responsible for the existence or discovery of property defects.

Inspection(s) Addenda Attached ML Inspection(s) Declined \_\_\_\_\_  
Buyer Buyer Buyer Buyer

**13. INCLUSIONS/EXCLUSIONS:** Included in the purchase price are all permanently attached fixtures, including all smoke detectors. Certain other **now existing** items which may be considered personal property, whether installed or stored upon the property, are included if box below is marked.

**INCLUDED**

☐ Alarm System  
☐ Built-in Microwave  
☒ Ceiling Fan(s) #  
☐ Central Vacuum  
☒ Clothes Dryer  
☒ Clothes Washer  
☐ Cooktop  
☒ Dishwasher  
☐ Drapery/Curtain Rods  
☐ Draperies/Curtains  
☐ Electronic Air Filter

**INCLUDED**

☒ Exhaust Fan(s) # 1  
☒ Exist. W/W Carpet  
☐ Fireplace Screen/Doors  
☐ Freezer  
☐ Furnace Humidifier  
☐ Garage Opener(s) # \_\_\_\_\_  
w/remote(s) # \_\_\_\_\_  
☒ Garbage Disposer  
☐ Hot Tub, Equip & Cover  
☐ Intercom  
☐ Playground Equipment

**INCLUDED**

☐ Pool, Equip. & Cover  
☒ Refrigerator(s) # 1  
☒ w/ice maker  
☒ Satellite Dish  
☒ Screens  
☒ Shades/Blinds  
☒ Storage Shed(s) # 1  
☐ Storm Doors  
☐ Storm Windows  
☒ Stove or Range  
☐ T.V. Antenna

**INCLUDED**

☐ Trash Compactor  
☐ Wall Oven(s) # \_\_\_\_\_  
☐ Water Filter  
☐ Water Softener  
☐ Window A/C Unit(s)  
# \_\_\_\_\_  
☐ Window Fan(s)  
# \_\_\_\_\_  
☐ Wood Stove

**ADDITIONAL INCLUSIONS (SPECIFY):** \_\_\_\_\_

**ADDITIONAL EXCLUSIONS (SPECIFY):** \_\_\_\_\_

**14. AGRICULTURALLY ASSESSED PROPERTY:** The Property, or any portion thereof, may be subject to an Agricultural Land Transfer Tax as imposed by Section 13-301 et seq. of the Tax-Property Article, Annotated Code of Maryland, by reason of the Property's having been assessed on the basis of agricultural use. Agricultural taxes assessed as a result of this transfer shall be paid by Seller.

**15. FOREST CONSERVATION AND MANAGEMENT PROGRAM:** Buyer is hereby notified that this transfer may be subject to the Forest Conservation and Management Program imposed by Section 8-211 of the Tax-Property Article, Annotated Code of Maryland. Forest Conservation and Management program taxes assessed as a result of this transfer shall be paid by the Seller.



## 16. LEAD-BASED PAINT:

A. FEDERAL LEAD-BASED PAINT LAW: Title X, Section 1018, the Residential Lead-Based Paint Hazard Reduction Act of 1992 (the Act), requires the disclosure of information regarding lead-based paint and lead-based paint hazards in connection with the sale of residential real property constructed prior to 1978. The disclosure shall be made on a Lead-Based Paint Disclosure form meeting federal disclosure requirements. Seller and any agent involved in the transaction are required to retain a copy of the completed Lead-Based Paint Disclosure form for a period of three (3) years following the date of settlement. A seller who fails to give the required Lead-Based Paint Disclosure form and EPA pamphlet may be liable under the Act for three times the amount of damages and may be subject to both civil and criminal penalties. Unless otherwise exempt, compliance with the Act is required for housing constructed prior to 1978.

Seller represents and warrants to Buyer, Broker(s), Broker(s)' agents and subagents, intending that they rely upon such warranty and representation, that the property (Seller to initial applicable line):

\_\_\_\_\_/\_\_\_\_\_ was constructed prior to 1978;

\_\_\_\_\_/\_\_\_\_\_ date of construction is uncertain;

\_\_\_\_\_/\_\_\_\_\_ was constructed in 1978 or later.

If the Property was constructed prior to 1978 or if the date of construction is uncertain, as indicated by Seller's initial above, Buyer and Seller mutually agree that the requirements of the Act shall apply to the sale of the Property. Buyer and Seller acknowledge that the real estate brokers and salespersons involved in the sale of the Property have no duty to ascertain or verify the date of construction and assume no such duty or responsibility. Buyer and Seller intend that compliance with the Act is an express condition of the formation of a binding and enforceable contract by and between the parties and each unto the other agree, represent and warrant, that no binding and enforceable contract shall exist unless the requirements of the Act have been complied with prior to the execution of this Contract by Buyer and Seller.

B. MARYLAND LEAD POISONING PREVENTION PROGRAM: Under the Maryland Lead Poisoning Prevention Program (the "Program"), any residential dwelling constructed prior to 1950 that is leased for residential purposes is required to be registered with the Maryland Department of the Environment (MDE). Any residential dwelling constructed between 1950 and 1978 that is leased for residential purposes may be registered with the MDE at the election of the owner.

Seller hereby discloses that the property (Seller to initial applicable lines):

\_\_\_\_\_/\_\_\_\_\_ was constructed prior to 1950; OR

\_\_\_\_\_/\_\_\_\_\_ was constructed between 1950 and 1978; OR

\_\_\_\_\_/\_\_\_\_\_ was constructed after 1978; AND

If constructed in 1978 or earlier, \_\_\_\_\_/\_\_\_\_\_ is or \_\_\_\_\_/\_\_\_\_\_ is not registered in the Program.

If the Property was constructed prior to 1950 and Buyer intends to lease the Property effective immediately following settlement or in the future, Buyer shall be required to register the Property with the Maryland Department of the Environment within thirty (30) days following the date of settlement or within thirty (30) days following the conversion of the Property to rental property as required by the Maryland Program. Buyer shall be responsible for full compliance under the Maryland Program, including but not limited to, registration; inspections; lead-paint risk reduction and abatement procedures; payment of all fees, costs and expenses; and the notice requirements to tenants as well as the requirements of qualified offers.

If the Property is registered under the Maryland Program as indicated above, Seller further discloses to Buyer that an event as defined under the Maryland Program (including, but not limited to, notice of the existence of lead-based paint hazards or notice of elevated blood lead levels from a tenant or state, local or municipal health agency) (**Seller to initial applicable line**) \_\_\_\_\_/\_\_\_\_\_ has; or \_\_\_\_\_/\_\_\_\_\_ has **not** occurred, which obligates Seller to perform either the modified or full risk reduction treatment of the Property as required under the Maryland Program. If an event has occurred that obligates Seller to perform either the modified or full risk reduction treatment of the Property, Seller hereby discloses the scope of such treatment as follows:

\_\_\_\_\_  
If such event has occurred, Seller (**Seller to initial applicable line**) \_\_\_\_\_/\_\_\_\_\_ will; OR \_\_\_\_\_/\_\_\_\_\_ will not perform the required treatment prior to transfer of title of the Property to Buyer.



17. **ADDENDA:** The Addenda marked below, which are hereby attached, are made a part of this Contract:

- |  |  |
|--|--|
| <input checked="" type="checkbox"/> [X] Affiliated Business Disclosure Notice #13  | <input type="checkbox"/> [ ] Maryland Non-Resident Seller Transfer                               |
| <input type="checkbox"/> [ ] As Is   | <input type="checkbox"/> [ ] Withholding Tax   |
| <input type="checkbox"/> [ ] Cash/Conventional Financing Appraisal Contingency   | <input checked="" type="checkbox"/> [X] Notice to Buyer and Seller – Maryland Residential #4, #5 |
| <input type="checkbox"/> [ ] Condominium Resale Notice   | <input type="checkbox"/> [ ] On-Site Sewage Disposal System Inspection                           |
| <input type="checkbox"/> [ ] Conservation Easement   | <input type="checkbox"/> [ ] Property Subject to Ground Rent                                     |
| <input type="checkbox"/> [ ] Disclosure of Licensee Status   | <input checked="" type="checkbox"/> [X] Property Inspections #8                                  |
| <input checked="" type="checkbox"/> [X] First-Time Maryland Home Buyer Transfer & #7   | <input type="checkbox"/> [ ] Purchase Price Escalation   |
| <input type="checkbox"/> [ ] Recordation Tax   | <input type="checkbox"/> [ ] Short Sale  |
| <input checked="" type="checkbox"/> [X] Homeowners Association Notice #12  | <input type="checkbox"/> [ ] Sale, Financing, Settlement or Lease of Other                       |
| <input type="checkbox"/> [ ] Kickout   | <input type="checkbox"/> [ ] Real Estate   |
| <input type="checkbox"/> [ ] Lead-Based Paint Hazard Inspection  | <input type="checkbox"/> [ ] Seller's Purchase of Another Property                               |
| <input checked="" type="checkbox"/> [X] Lead-Based Paint and Lead-Based Hazards #6   | <input type="checkbox"/> [ ] Third Party Approval  |
| <input type="checkbox"/> [ ] Disclosure of Information   | <input type="checkbox"/> [ ] Water Quality   |
| <input type="checkbox"/> [ ] Local City/County Certifications/Registrations  |  |
| <input checked="" type="checkbox"/> [X] Local City/County Notices/Disclosures #3   |  |
| <input checked="" type="checkbox"/> [X] Other Addenda/Special Conditions: #1 FHA Financing, #2.3 Seller's Credit to Buyer, #2.4 Time limit, #9 Survey, #10 Residential Property Info, #11 Front Foot, #14 Agency |  |

**18. WOOD DESTROYING INSECT INSPECTION:** Buyer, at Buyer's expense, (if VA, then at Seller's expense) is authorized to obtain a written report on the state regulated form from a Maryland licensed pest control company that, based on a careful visual inspection, there is no evidence of termite or other wood-destroying insect infestation in the residence or within three (3) feet of the residence; and damage due to previous infestation has been repaired. The provisions of this paragraph also shall apply to: (1) the garage or within three (3) feet of the garage (whether attached or detached); (2) any outbuildings located within three feet of the residence or garage; and (3) a maximum of ten (10) linear feet of the nearest portion of a fence on Seller's Property within three feet of the residence or garage. If there is evidence of present infestation as described above, or if damage caused by present or prior infestation is discovered, Seller, at Seller's expense, shall repair any damage caused by present or prior infestation and have the present infestation treated by a licensed pest control company. If the cost of treatment and repair of such damage exceeds 2% of the purchase price, Seller may, at Seller's option, cancel this Contract, unless Buyer, at Buyer's option should choose to pay for the cost of treatment and repairs exceeding 2% of the purchase price, then this Contract shall remain in full force and effect. If such report reveals damage for which the cost of treatment and repair exceeds 2% of the purchase price, Seller's decision regarding treatment and repair of damage shall be communicated in writing to Buyer within five (5) days from receipt of the report, after which Buyer shall respond to Seller in writing with Buyer's decision within three (3) days from receipt of Seller's notification of Seller's decision. If Seller does not notify Buyer in writing of Seller's decision within five (5) days from receipt of report, Buyer may, at Buyer's option, pay for the cost of treatment and repairs exceeding 2% of the purchase price. If Buyer does not want to pay for the cost of treatment and repairs exceeding 2% of the purchase price, Buyer may terminate this Contract upon written notice delivered to Seller. In the event this Contract is terminated under the terms of this paragraph, the Deposit(s) shall be disbursed in accordance with the Deposit paragraph of this Contract.

**19. DEPOSIT:** If the Deposit is held by a Broker as specified in Paragraph 7(c) of this Contract, Buyer hereby authorizes and directs Broker to hold the Deposit instrument without negotiation or deposit until the parties have executed and accepted this Contract. Upon acceptance, the initial Deposit and additional Deposits (the "Deposit"), if any, shall be placed in escrow as provided in Paragraph 7(e) of this Contract and in accordance with the requirements of Section 17-502(b)(1) of the 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. The Deposit shall be disbursed at settlement. In the event this Contract shall be terminated or settlement does not occur, Buyer and Seller agree that the Deposit shall be disbursed by Broker only in accordance with a Release of Deposit agreement executed by Buyer and Seller. In the event Buyer and/or Seller fail to complete the real estate transaction in accordance with the terms and conditions of this Contract, and either Buyer or Seller shall be unable or unwilling to execute a Release of Deposit agreement, Buyer and Seller hereby acknowledge and agree that Broker may distribute the Deposit in accordance with the provisions of Section 17-505(b) of the Business Occupations and Professions Article, Annotated Code of Maryland.



**20. DEED AND TITLE:** Upon payment of the purchase price, a deed for the Property containing covenants of special warranty and further assurances (except in the case of transfer by personal representative of an estate), shall be executed by Seller and shall convey the Property to Buyer. Title to the Property, including all chattels included in the purchase, shall be good and merchantable, free of liens and encumbrances except as specified herein; except for use and occupancy restrictions of public record which are generally applicable to properties in the immediate neighborhood or the subdivision in which the Property is located and publicly recorded easements for public utilities and any other easements which may be observed by an inspection of the Property. Buyer expressly assumes the risk that restrictive covenants, zoning laws or other recorded documents may restrict or prohibit the use of the Property for the purpose(s) intended by Buyer. In the event Seller is unable to give good and merchantable title or such as can be insured by a Maryland licensed title insurer, with Buyer paying not more than the standard rate as filed with the Maryland Insurance Commissioner, Seller, at Seller's expense, shall have the option of curing any defect so as to enable Seller to give good and merchantable title or, if Buyer is willing to accept title without said defect being cured, paying any special premium on behalf of Buyer to obtain title insurance on the Property to the benefit of Buyer. In the event Seller elects to cure any defects in title, this Contract shall continue to remain in full force and effect; and the date of settlement shall be extended for a period not to exceed fourteen (14) additional days. If Seller is unable to cure such title defect(s) and is unable to obtain a policy of title insurance on the Property to the benefit of Buyer from a Maryland licensed title insurer, Buyer shall have the option of taking such title as Seller can give, or terminating this Contract and being reimbursed by Seller for cost of searching title as may have been incurred not to exceed 1/2 of 1% of the purchase price. In the latter event, there shall be no further liability or obligation on either of the parties hereto; and this Contract shall become null and void; and all Deposit(s) shall be disbursed in accordance with the Deposit paragraph of this Contract. In no event shall Broker(s) or their agent(s) have any liability for any defect in Seller's title.

**21. CONDITION OF PROPERTY AND POSSESSION:** At settlement, Seller shall deliver possession of the Property and shall deliver the Property vacant, clear of trash and debris, broom clean and in substantially the same condition as existed on the Date of Contract Acceptance. All electrical, heating, air conditioning, plumbing (including well and septic), and any other mechanical systems and related equipment, appliances and smoke detector(s) included in this Contract shall be in working condition. Buyer reserves the right to inspect the Property within five (5) days prior to settlement. **EXCEPT AS OTHERWISE SPECIFIED IN THIS CONTRACT, INCLUDING THIS PARAGRAPH, THE PROPERTY IS SOLD "AS IS"**. The obligations of Seller as provided in this paragraph shall be in addition to any Disclosure and Disclaimer Statement as required by Section 10-702, Real Property Article, Annotated Code of Maryland and any provision of any inspection contingency addendum made a part of this Contract.

**22. ADJUSTMENTS:** Ground rent, homeowner's association fees, rent and water rent shall be adjusted and apportioned as of date of settlement; and all taxes, general or special, and all other public or governmental charges or assessments against the Property which are or may be payable on a periodic basis, including Metropolitan District Sanitary Commission, Washington Suburban Sanitary Commission, or other benefit charges, assessments, liens or encumbrances for sewer, water, drainage, paving, or other public improvements completed or commenced on or prior to the date hereof, or subsequent thereto, are to be adjusted and apportioned as of the date of settlement and are to be assumed and paid thereafter by Buyer, whether assessments have been levied or not as of date of settlement if applicable by local law. Any heating or cooking fuels remaining in supply tank(s) at time of settlement shall become the property of Buyer.

**23. SETTLEMENT COSTS:** Buyer agrees to pay all settlement costs and charges including, but not limited to, all Lender's fees in connection herewith, including title examination and title insurance fees, loan insurance premiums, all document preparation and recording fees, notary fees, survey fees where required, and all recording charges, except those incident to clearing existing encumbrances or title defects, except if Buyer is a Veteran obtaining VA financing, those prohibited to be paid by a Veteran obtaining VA financing, which prohibited charges shall be paid by Seller.

**24. TRANSFER CHARGES:**

**A. IN GENERAL.** Section 14-104 of the Real Property Article, 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.

**B. FIRST-TIME BUYER.** Under Section 14-104(c) of the Real Property Article, the entire amount of recordation and local transfer tax shall be paid by the Seller of property that is sold to a first-time Maryland homebuyer, unless there is an express agreement that the recordation tax or any state or local transfer tax will not be paid entirely by the Seller.

**RECORDATION AND LOCAL TRANSFER TAX.** If the Buyer is a first-time Maryland homebuyer, Buyer and Seller expressly agree, in accordance with Section 14-104(c) of the Real Property Article, Annotated Code of Maryland, that payment of recordation tax and local transfer tax shall be shared equally between the Buyer and Seller unless a "First-time Maryland Homebuyer Transfer and Recordation Tax Addendum" is attached, which contains a different express agreement.

Buyer MK

Page 5 of 11 Revised 10/09

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



**STATE TRANSFER TAX:** 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 property to a first-time Maryland homebuyer is reduced from 0.50% to 0.25% and shall be paid entirely by the Seller. Buyer is hereby notified that to ensure receipt of the above reduction, Buyer should so indicate on Page 10 of this Contract and complete the required affidavit at settlement indicating that the Buyer is a first-time Maryland homebuyer.

**25. BROKER LIABILITY:** Brokers, their agents, subagents and employees do not assume any responsibility for the condition of the Property or for the performance of this 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 Brokers, or any agents, subagents or employees of Brokers, except those representations expressly set forth in this Contract.

**26. BROKER'S FEE:** All parties irrevocably instruct the settlement officer to collect the fee or compensation and disburse same according to the terms and conditions provided in the listing agreement and/or agency representation agreement. Settlement shall not be a condition precedent to payment of compensation.

**27. SELLER RESPONSIBILITY:** Seller agrees to keep existing mortgages free of default until settlement. All violation notices or 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 Seller and the Property conveyed free thereof. The Property is to be held at the risk of Seller until legal title has passed or possession has been given to Buyer. If, prior to the time legal title has passed or possession has been given to Buyer, whichever shall occur first, all or a substantial part of the Property is destroyed or damaged, without fault of Buyer, then this Contract, at the option of Buyer, upon written notice to Seller, shall be null and void and of no further effect, and the deposits shall be disbursed in accordance with the Deposit paragraph of this Contract.

**28. BUYER RESPONSIBILITY:** If Buyer has misrepresented Buyer's financial ability to consummate the purchase of the Property, or if this Contract is contingent upon Buyer securing a written commitment for financing and Buyer fails to apply for such financing within the time period herein specified, or fails to pursue financing diligently and in good faith, or if Buyer makes any misrepresentations in any document relating to financing, or takes (or fails to take) any action which causes Buyer's disqualification for financing, then Buyer shall be in default; and Seller may elect by written notice to Buyer, to terminate this Contract and/or pursue the remedies set forth under the Default paragraph of this Contract.

**29. HOMEOWNER'S ASSOCIATION:** The Property is not part of a development subject to the imposition of mandatory fees as defined by the Maryland Homeowner's Association Act, unless acknowledged by attached addendum.

**30. GROUND RENT:** If the Property is subject to ground rent and the ground rent is not timely paid, the ground lease holder (i.e., the person to whom the ground rent is payable) may bring an action under Section 8-402.3 of the Real Property Article, Annotated Code of Maryland. As a result of this action, a lien may be placed upon the property. If the Property is subject to ground rent, Sections 14-116 and 14-116.1 of the Real Property Article provide the purchaser, upon obtaining ownership of the Property, with certain rights and responsibilities relative to the ground rent. (If the Property is subject to ground rent: See Property Subject to Ground Rent Addendum.)

**31. SALE/SETTLEMENT OR LEASE OF OTHER REAL ESTATE:** Neither this Contract nor the granting of Buyer's loan referred to herein is to be conditioned or contingent in any manner upon the sale, settlement and/or lease of any other real estate unless a contingency for the sale, settlement and/or lease of other real estate is contained in an addendum to this Contract. Unless this Contract is expressly contingent upon the sale, settlement and/or lease of any other real estate, Buyer shall neither apply for nor accept a financing loan commitment which is contingent upon or requires as a pre-condition to funding that any other real estate be sold, settled and/or leased.

**32. LEASES:** Seller may neither negotiate new leases nor renew existing leases for the Property which extend beyond settlement or possession date without Buyer's written consent.

**33. DEFAULT:** Buyer and Seller are required and agree to make full settlement in accordance with the terms of this Contract and acknowledge that failure to do so constitutes a breach hereof. If Buyer fails to make full settlement or is in default due to Buyer's failure to comply with the terms, covenants and conditions of this Contract, the initial Deposit and additional Deposits (the "Deposit") may be retained by Seller as long as a Release of Deposit Agreement is signed and executed by all parties, expressing that said Deposit may be retained by Seller. In the event the parties do not agree to execute a Release of Deposit Agreement, Buyer and Seller shall have all legal and equitable remedies. If Seller fails to make full settlement or is in default due to Seller's failure to comply with the terms, covenants and conditions of this Contract, Buyer shall be entitled to pursue such rights and remedies as may be available, at law or in equity, including, without limitation, an action for specific performance of this Contract and/or monetary damages. In the event of any litigation or dispute between Buyer and Seller concerning the release of the Deposit, Broker's sole responsibility may be met, at Broker's option, by paying the Deposit into the court in which such litigation is pending, or by paying the Deposit into the court of proper jurisdiction by an action of interpleader. Buyer and Seller agree that, upon Broker's payment of

Buyer   MK  

Page 6 of 11 Revised 10/09

Seller



the Deposit into the court, neither Buyer nor Seller shall have any further right, claim, demand or action against Broker regarding the release of the Deposit; and Buyer and Seller, jointly and severally, shall indemnify and hold Broker harmless from any and all such rights, claims, demands or actions. In the event of such dispute and election by Broker to file an action of interpleader as herein provided, Buyer and Seller further agree and hereby expressly and irrevocably authorize Broker to deduct from the Deposit all costs incurred by Broker in the filing and maintenance of such action of interpleader including but not limited to filing fees, court costs, service of process fees and attorneys' fees, provided that the amount deducted shall not exceed the lesser of \$500 or the amount of the Deposit held by Broker. All such fees and costs authorized herein to be deducted may be deducted by Broker from the Deposit prior to paying the balance of the Deposit to the court. Buyer and Seller further agree and expressly declare that all such fees and costs so deducted shall be the exclusive property of Broker. If the amount deducted by Broker is less than the total of all of the costs incurred by Broker in filing and maintaining the interpleader action, then Buyer and Seller jointly, and severally, agree to reimburse Broker for all such excess costs upon the conclusion of the interpleader action.

**34. MEDIATION OF DISPUTES:** Mediation is a process by which the parties attempt to resolve a dispute or claim with the assistance of a neutral mediator who is authorized to facilitate the resolution of the dispute. The mediator has no authority to make an award, to impose a resolution of the dispute or claim upon the parties or to require the parties to continue mediation if the parties do not desire to do so. Buyer and Seller agree that any dispute or claim arising out of or from this Contract or the transaction which is the subject of this Contract shall be mediated through the Maryland Association of REALTORS®, Inc. or its member local boards/associations in accordance with the established Mediation Rules and Guidelines of the Association or through such other mediator or mediation service as mutually agreed upon by Buyer and Seller, in writing. Unless otherwise agreed in writing by the parties, mediation fees, costs and expenses shall be divided and paid equally by the parties to the mediation. If either party elects to have an attorney present that party shall pay his or her own attorney's fees.

Buyer and Seller further agree that the obligation of Buyer and Seller to mediate as herein provided shall apply to all disputes or claims arising whether prior to, during or within one (1) year following the actual contract settlement date or when settlement should have occurred. Buyer and Seller agree that neither party shall commence any action in any court regarding a dispute or claim arising out of or from this Contract or the transaction which is the subject of this Contract, without first mediating the dispute or claim, unless the right to pursue such action or the ability to protect an interest or pursue a remedy as provided in this Contract, would be precluded by the delay of the mediation. In the event the right to pursue such action, or the ability to protect an interest or pursue a remedy would be precluded by the delay, Buyer or Seller may commence the action only if the initial pleading or document commencing such action is accompanied by a request to stay the proceeding pending the conclusion of the mediation. If a party initiates or commences an action in violation of this provision, the party agrees to pay all costs and expenses, including reasonable attorneys' fees, incurred by the other party to enforce the obligation as provided herein. The provisions of this paragraph shall survive closing and shall not be deemed to have been extinguished by merger with the deed.

**35. ATTORNEY'S FEES:** In any action or proceeding between Buyer and Seller based, in whole or in part, upon the performance or non-performance of the terms and conditions of this Contract, including, but not limited to, breach of contract, negligence, misrepresentation or fraud, the prevailing party in such action or proceeding shall be entitled to receive reasonable attorney's fees from the other party as determined by the court or arbitrator. In any action or proceeding between Buyer and Seller and/or between Buyer and Broker(s) and/or Seller and Broker(s) resulting in Broker(s) being made a party to such action or proceeding, 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, Buyer and Seller jointly and severally, agree to indemnify and hold Broker(s) harmless from and against any and all liability, loss, cost, damages or expenses (including filing fees, court costs, service of process fees, transcript fees and attorneys' fees) incurred by Broker(s) in such action or proceeding, providing that such action or proceeding does not result in a judgment against Broker(s).

As used in this Contract, the term "Broker(s)" shall mean: (a) the two (2) Brokers as identified on Page 10 of this Contract; (b) the two (2) named Sales Associates identified on Page 10 of the Contract; and (c) any agent, subagent, salesperson, independent contractor and/or employees of Broker(s). The term "Broker(s)" shall also mean, in the singular, any or either of the named Broker(s) and/or Sales Associate(s) as identified or, in the plural, both of the named Brokers and/or Sales Associates as identified.

This Paragraph shall apply to any and all such action(s) or proceeding(s) against Broker(s) including those action(s) or proceeding(s) based, in whole or in part, upon any alleged act(s) or omission(s) by Broker(s), including, but not limited to, any alleged act of misrepresentation, fraud, non-disclosure, negligence, violation of any statutory or common law duty, or breach of fiduciary duty by Broker(s). The provision of this Paragraph shall survive closing and shall not be deemed to have been extinguished by merger with the deed.



**36. NOTICE OF BUYER'S RIGHT TO SELECT SETTLEMENT SERVICE PROVIDERS:** 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.

**37. LIMITED WARRANTY: NOTICE TO BUYER:** IF A WARRANTY PLAN IS BEING OFFERED WITH THE PURCHASE OF THE PROPERTY, IT MAY BE A LIMITED WARRANTY. SINCE SUCH WARRANTY PLANS DO NOT COVER STRUCTURAL DEFECTS AND MAY NOT COVER PRE-EXISTING DEFECTS, BUYER SHOULD REQUEST THE REAL ESTATE AGENT TO PROVIDE BUYER WITH ANY BROCHURE WHICH DESCRIBES THE PLAN IN ORDER TO DETERMINE THE EXTENT OF COVERAGE PROVIDED BY THE WARRANTY.

**38. PROPERTY INSURANCE BROCHURE:** An informational brochure published by the Maryland Association of REALTORS®, Inc. titled "The New Reality of Property Insurance – What You Should Know" is available to explain current issues relative to obtaining insurance coverage for the Property to be purchased.

**39. GUARANTY FUND: NOTICE TO BUYER:** BUYER IS PROTECTED BY THE REAL ESTATE GUARANTY FUND OF THE MARYLAND REAL ESTATE COMMISSION, UNDER SECTION 17-404 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE OF THE ANNOTATED CODE OF MARYLAND, FOR LOSSES IN AN AMOUNT NOT EXCEEDING \$25,000 FOR ANY CLAIM.

**40. SINGLE FAMILY RESIDENTIAL REAL PROPERTY DISCLOSURE NOTICE:** Buyer is advised of the right to receive a "Disclosure and Disclaimer Statement" from Seller (Section 10-702 Real Property Article, Annotated Code of Maryland).

**41. MARYLAND NON-RESIDENT SELLER:** If the Property is not the Seller's principal residence and the Seller is a non-resident 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 withholding tax from the proceeds of sale may be withheld at the time of settlement except as otherwise provided by Maryland law. (See Maryland Non-Resident Seller Transfer Withholding Tax Addendum.)

**42. INTERNAL REVENUE SERVICE FILING:** Buyer and Seller each agree to cooperate with the settlement officer by providing all necessary information so that a report can be filed with the Internal Revenue Service, as required by Section 6045 of the IRS Code. To the extent permitted by law, any fees incurred as a result of such filing will be paid by the Seller.

**43. NOTICE TO BUYER CONCERNING THE CHESAPEAKE AND ATLANTIC COASTAL BAYS CRITICAL AREA:** 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 of 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 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.

**44. WETLANDS NOTICE:** 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 a clause making Buyer's purchase of the Property contingent upon a satisfactory wetlands inspection.

**45. FOREST CONSERVATION ACT NOTICE:** If the Property is a tract of land 40,000 square feet or more in size, Buyer is notified that, unless exempted by applicable law, as a prerequisite to any subdivision plan or grading or sediment control permit for the Property, Buyer will be required to comply with the provisions of the Maryland Forest Conservation Act imposed by Section 5-1601, et seq. of the Natural Resources Article, Annotated Code of Maryland, including, among other things, the submission and acceptance of a Forest Stand Delineation and a Forest Conservation Plan for the Property in accordance with applicable laws and regulations. Unless otherwise expressly set forth in an addendum to this Contract, Seller represents and warrants that the Property is not currently subject to a Forest Conservation Plan, Management Agreement or any other pending obligation binding the owner of the Property under said Act; further, Seller represents and warrants that no activities have been undertaken on the Property by Seller in violation of the Forest Conservation Act.

Buyer MK

Page 8 of 11 Revised 10/09

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



**46. NOTICE CONCERNING CONSERVATION EASEMENTS:** If the Property is encumbered by a Conservation Easement as defined in Section 10-705 of the Real Property Article, Annotated Code of Maryland, the contract must contain a notice concerning the easement, which is contained in an attached addendum. This Paragraph does not apply to the sale of property in an action to foreclose a mortgage or deed of trust. (If the Property is encumbered by a Conservation Easement: See Conservation Easement Addendum.)

**47. FOREIGN INVESTMENT TAXES-FIRPTA:** Section 1445 of the United States Internal Revenue Code of 1986 provides that a Buyer of 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) and (b) the seller is a foreign person. Unless otherwise stated in an addendum attached hereto, if the purchase price is in excess of Three Hundred Thousand Dollars (\$300,000.00), Seller represents that Seller is not 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) and agrees to execute an affidavit to this effect at the time of settlement.

**48. CRIMINAL ACTIVITY AND SEXUAL OFFENDERS.** Buyer may contact the state, county or municipal police departments in which the Property is located or check the "Sex Offender Registry" at the Maryland Department of Public Safety and Correctional Services website in order to ascertain criminal activity in the vicinity of the Property or the presence of registered sexual offenders who live or work within the vicinity of the Property. Buyer acknowledges that Buyer is solely responsible to inquire of such matters before signing this Contract. Buyer shall have no right to cancel this Contract based upon criminal activity or the presence of registered sexual offenders in the vicinity of the Property. Buyer further acknowledges that no real estate licensee involved in the sale or purchase of the Property, whether acting as the agent for Seller or Buyer, has any duty nor assumes any duty or responsibility to ascertain criminal activity or the presence of registered sexual offenders in the vicinity of the Property.

**49. MILITARY INSTALLATIONS:** This Section does not apply in Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington Counties. Buyer is advised that the Property may be located near a military installation that conducts flight operations, munitions testing, or military operations that may result in high noise levels.

**50. NOTICE TO THE PARTIES:**

(A) NO REPRESENTATIONS: Brokers, their agents, subagents and employees, make no representations with respect to:

- (1) Water quantity, quality, color, or taste or operating conditions of public and/or private water systems;
- (2) Location, size or operating condition of on-site sewage disposal systems;
- (3) 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. (Buyer should consult the Department of Public Works to determine the availability of proposed future extensions of utilities.);
- (4) Lot size and exact location. If the subject Property is part of a recorded subdivision, Buyer can review the plat upon request at the Record Office. If the subject Property is not part of a recorded subdivision, Buyer may verify exact size and location through a survey by a licensed engineer or land surveyor, at Buyer's expense; or
- (5) Existing zoning or permitted uses of the Property. Buyer should contact the Zoning Office and/or a licensed engineer to verify zoning and permitted uses.

(B) NO ADVISING: Brokers/agents are not advising the parties as to 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, radium, mold spores, urea formaldehyde foam insulation (UFFI), synthetic stucco (EIFS), asbestos, polybutylene piping 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.

(C) COMPENSATION OF VENDORS: Buyer and Seller each assume full responsibility for selecting and compensating their respective vendors.

(D) PROTECTION OF HOMEOWNERS IN FORECLOSURE ACT NOTICE: BUYER AND SELLER ACKNOWLEDGE THAT, UNDER SECTION 7-310 OF THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND, IF THE MORTGAGE ON THE PROPERTY IS AT LEAST 60 DAYS IN DEFAULT ON THE DATE OF CONTRACT ACCEPTANCE, SELLER HAS THE RIGHT TO RESCIND THE CONTRACT WITHIN 5 DAYS AFTER THE DATE OF



CONTRACT ACCEPTANCE. ANY PROVISION IN THIS CONTRACT OR OTHER AGREEMENT THAT ATTEMPTS OR PURPORTS TO WAIVE ANY OF THE SELLER'S RIGHTS UNDER SECTION 7-310 IS VOID.

**51. NON-ASSIGNABILITY:** This Contract may not be assigned without the written consent of Buyer and Seller. If Buyer and Seller agree in writing to an assignment of this Contract, the original parties to this Contract remain obligated hereunder until settlement.

**52. PARAGRAPH HEADINGS:** The Paragraph headings of this Contract are for convenience and reference only, and in no way define or limit the intent, rights or obligations of the parties.

**53. COMPUTATION OF DAYS:** As used in this Contract, and in any addendum or addenda to this Contract, the term "days" shall mean consecutive calendar days, including Saturdays, Sundays, and holidays, whether federal, state, local or religious. A day shall be measured from 12:00:01 a.m. to and including 11:59:59 p.m. E.S.T. For the purposes of calculating days, the count of "days" shall begin on the day following the day upon which any act or notice as provided in this Contract, or any addendum or addenda to this Contract, was required to be performed or made.

**54. ENTIRE AGREEMENT:** This Contract and any addenda thereto contain the final and entire agreement between the parties, and neither they nor their agents shall be bound by any terms, conditions, statements, warranties or representations, oral or written, not herein contained. The parties to this Contract mutually agree that it is binding upon them, their heirs, executors, administrators, personal representatives, successors and, if permitted as herein provided, assigns. Once signed, the terms of this Contract can only be changed by a document executed by all parties. This Contract shall be interpreted and construed in accordance with the laws of the State of Maryland. It is further agreed that this Contract may be executed in counterparts, each of which when considered together shall constitute the original Contract.

**55. ELECTRONIC DELIVERY:** The parties agree that this Contract offer shall be deemed validly executed and delivered by a party if a party executes this Contract and delivers a copy of the executed Contract to the other party by telefax or telecopier transmittal, or delivers a digital image of the executed document by email transmittal.

<u>Matthew P. Kilmurry</u>	<u>3-4-10</u>	_____	_____
Buyer's Signature	Date	Seller's Signature	Date

_____	_____	_____	_____
Buyer's Signature	Date	Seller's Signature	Date

DATE OF CONTRACT ACCEPTANCE: \_\_\_\_\_

**Contact Information:**

☒ Check if First-Time Maryland

BUYER / NAME(S): Matthew P. Kilmurry, \_\_\_\_\_  
MAILING ADDRESS: 2523 Briar Ridge Ln, Odenton, MD 21113-

SELLER / NAME(S): Julius L. Sager, Patricia A. Sager  
MAILING ADDRESS: 1712 Angel Ct, Severn, MD 21144-

Information provided as reference only:

LISTING BROKER: Century 21 H.T. Brown Realty BRANCH OFFICE:   

OFFICE PHONE: (410)-224-7577 / FAX (410)-268-1804 BROKER/AGENT MLS ID    /   

OFFICE ADDRESS:   ,   

SALES ASSOCIATE: Carolyn Gardiner E-Mail:    PHONE NUMBER (410)-562-3145

ACTING AS: ☒ LISTING BROKER AND SELLER AGENT; OR  
☐ INTRA - COMPANY AGENT WITH BROKER AS DUAL AGENT

SELLING BROKER: CHAMPION REALTY BRANCH OFFICE: Annapolis, MD 21401

OFFICE PHONE NO. (410)-224-0600 FAX (410)-224-0632 BROKER/AGENT ID NO: CHMP03 / 49381

OFFICE ADDRESS: 711 Bestgate Rd., Annapolis, MD 21401

SALES ASSOCIATE: Mary Richardson E-Mail: Mary.Richardson@mrisc.com PHONE: (410)-320-0000

ACTING AS: ☐ SELLER AGENT (WHETHER "COOPERATING AGENT" OR "SELLING AGENT" ); OR  
☒ BUYER AGENT; OR  
☐ INTRA - COMPANY AGENT WITH BROKER AS DUAL AGENT

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Buyer MK





## FHA FINANCING ADDENDUM

ADDENDUM # 1 dated March 03, 2010 to Contract of Sale dated \_\_\_\_\_, between Buyer

Matthew P. Kilmurry, \_\_\_\_\_ and Seller

Julius L. Sager, Patricia A. Sager for Property known as

1712 Angel Ct, Severn, MD 21144-

The Contract is contingent upon Buyer's obtaining a mortgage insured by the Federal Housing Administration (FHA) and secured by the Property as follows:

### 1. LOAN DETAILS:

Mortgage Insurance Premium (MIP) \$ 5,606.65

Loan Program Fixed

Base Loan Amount \$ 320,380.00

TERM OF LOAN 30 Years

INITIAL INTEREST RATE 5.25 %

TOTAL LOAN AMOUNT \$ 325,986.65

Buyer agrees to pay to Lender loan origination/loan discount fees of 0.0000 % of the loan amount and Seller agrees to pay loan origination/loan discount fees of 0.0000 % of the loan amount. Buyer shall receive the benefit of any reduction in said fees. All loan insurance premiums as required by Lender shall be paid by Buyer.

BY ACCEPTING A LOAN AGREEMENT WHEREBY THE INTEREST RATE AND LOAN DISCOUNT FEES ARE NOT BEING LOCKED IN, BUYER AGREES TO ACCEPT THE CURRENT MARKET RATE AT THE TIME OF LOCK-IN AND THE RESPONSIBILITY FOR ANY ADDITIONAL FEES CHARGED. BUYER SHALL REMAIN BOUND TO PERFORM UNDER THE CONTRACT, NOTWITHSTANDING ANY SUCH CHANGES IN THE RATE AND/OR FEES.

**2. MONTHLY PAYMENT:** Payments to Lender shall include monthly principal and interest, plus one-twelfth of the annual real estate taxes, ground rent, special assessments or charges, if any, hazard (fire) insurance premium, flood insurance, where required, and FHA MIP payment.

**3. LOAN UNDERWRITING:** Buyer and Seller understand that the Lender will have to resubmit the loan to underwriting if, from the time Buyer's loan application was approved to the time of settlement, there are any increases to the interest rate and/or the loan origination/discount fees. To the extent such changes do not conflict with the conditions of the Contract, Buyer agrees to comply with Lender's request for additional or updated information as required to approve the loan.

**4. FHA AMENDATORY CLAUSE:** It is expressly agreed that notwithstanding any other provisions of the Contract, Buyer shall not be obligated to complete the purchase of the Property described herein or to incur any penalty by forfeiture of deposit or otherwise unless Buyer has been given in accordance with HUD/FHA or VA requirements a written statement by the Federal Housing Commissioner, Department of Veterans Affairs, or a Direct Endorsement Lender setting forth the appraised value of the Property of not less than \$ 332,000.00. Buyer shall have the privilege and option to proceed with consummation of the Contract without regard to the amount of the appraised value. The appraised value is arrived at to determine the maximum mortgage the Department of Housing and Urban Development will insure. HUD does not warrant the value or the condition of the Property. Buyer should satisfy himself/herself that the price and condition of the Property are acceptable. NOTICE: The dollar amount to be inserted in the amendatory clause is the purchase price as stated in the Contract. If Buyer and Seller agree to adjust the purchase price in response to an appraised value that is less than the purchase price, a new amendatory clause is not required. However, the loan application package must include the original Contract with the same purchase price as shown in the amendatory clause, along with the revised or amended Contract.



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

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





**5. MORTGAGE INSURANCE:** Buyer agrees to pay mortgage insurance premiums (MIP) as required by FHA regulations. MIP must be paid at the time of settlement in cash or included in the loan amount; **AND IN ADDITION**, a mortgage insurance premium equal to a percentage of the loan amount must be paid monthly thereafter.

**6. TERMITE INSPECTION:** In all transactions involving FHA financing, fences and outbuildings shall be included in the inspection and certification.

**7. LENDER REQUIRED REPAIRS:** In the event the FHA and/or Lender require any repairs or improvements ("Required Repairs") be made to the Property, Seller agrees to perform the Required Repairs and pay the cost thereof at or prior to settlement, provided the total cost of the Required Repairs does not exceed \$ 1,000.00 ("Repair Amount"). **This cost shall be in addition to Seller's other obligations under the terms of the Contract.** Should the cost of Required Repairs exceed the Repair Amount:

- A. Seller may elect to pay the total cost of the Required Repairs, in which event the Contract shall remain in full force and effect.
- B. Seller may terminate the Contract by written notice to Buyer, which must include a written estimate of the cost of the Required Repairs. Said written notice shall be provided to Buyer within five (5) days of Seller's receipt of written estimate(s).
- C. The Contract shall remain in full force and effect if, within five (5) days of Buyer's receipt of Seller's notice of termination, Buyer elects, in writing, to pay the cost of the Required Repairs, which exceeds the Repair Amount.
- D. If neither Buyer nor Seller elects to pay the excess cost of any Required Repairs, the Contract shall become null and void; and all Deposit(s) shall be disbursed in accordance with the Deposit paragraph of the Contract.

**8. CERTIFICATION:** Seller, Buyer and Broker(s) hereby certify that the terms of the Contract to which this Addendum is attached are true to the best of their knowledge and belief. Any other agreement(s) entered into between the parties with respect to the purchase and sale of the Property has been fully disclosed and is attached to the Contract.

**9. FHA REQUIRED NOTICE:** Buyer acknowledges receipt of HUD form #92564-CN entitled: *For Your Protection: Get A Home Inspection.*

MC  
Buyer's Initials

*All other terms and conditions of the Contract of Sale remain in full force and effect.*

Matthew Kulmurry 3-4-10  
Buyer Signature Date

\_\_\_\_\_  
Seller Signature Date

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

\_\_\_\_\_  
Seller Signature Date

Mary Richardson  
Broker or Duly Authorized Representative

3-3-10  
Date

\_\_\_\_\_  
Broker or Duly Authorized Representative Date



**ADDENDUM – STANDARD CLAUSES**

ADDENDUM/AMENDMENT # 2 dated March 03, 2010 to Contract of Sale dated \_\_\_\_\_ between  
 Buyer(s): Matthew P. Kilmurry, \_\_\_\_\_  
 and Seller(s): Julius L. Sager, Patricia A. Sager  
 for Property known as: 1712 Angel Ct, Severn, MD  
21144-

**THE FOLLOWING PARAGRAPHS APPLY ONLY IF BOTH BUYER(S) AND SELLER(S) INITIAL THEM:**

- \_\_\_\_ 1. **DISCLOSURE - LICENSEE STATUS.** Parties acknowledge that \_\_\_\_\_,  
 a licensed real estate agent in Maryland associated with (broker) \_\_\_\_\_, is the ☐ Buyer ☐ Seller ☐ related to one of the parties in this transaction, and may share in the brokerage fee to be paid in this transaction.
- \_\_\_\_ 2. **TRANSFER TAX AND DOCUMENTARY STAMPS.** If Buyer is NOT a first time Maryland home buyer, the cost of any state or local transfer tax(es) or recordation stamps shall be shared equally between Buyer and Seller unless otherwise provided as follows: ☐ Buyer to pay all, ☐ Seller to pay all, ☐ Other: \_\_\_\_\_  
Buyer & Seller to Split
- MK 3. **SELLER'S CREDIT TO BUYER.** In addition to any other amount(s) Seller has agreed to pay under other provisions of Contract of Sale, Seller shall credit to Buyer at time of settlement the sum of Nine Thousand Nine Hundred Sixty Dollars (\$ 9,960.00 ) towards Buyer's settlement costs and prepaid items. It is Buyer's responsibility to confirm with lender, if applicable, that entire credit may be utilized. If lender prohibits Seller from paying any portion of this amount, Seller's credit to Buyer shall be reduced to the amount allowed by lender.
- MK 4. **TIME LIMIT.** If delivery of acceptance, counter-offer or rejection does not occur on or before 9:00 p.m. on (date) March 04, 2010, Contract of Sale shall become null and void and deposit shall be returned to Buyer.
- \_\_\_\_ 5. **LENDER'S PRE-QUALIFICATION.** Contract of Sale is contingent upon delivery to Seller by 9:00 p.m. on (date) \_\_\_\_\_ of written pre-qualification from an institutional lender stating that financing described in Contract of Sale is available and, subject to verification of information in the written loan application and preliminary credit report, Buyer is likely, though not guaranteed, to qualify for said financing.
- \_\_\_\_ 6. **LENDER'S FEES.** ☐ Buyer ☐ Seller shall pay the cost of all certifications and repairs required by lender, except as specified elsewhere in Contract of Sale.
- \_\_\_\_ 7. **GIFT OF FUNDS.** This offer is contingent on Buyer obtaining a gift of cash at time of settlement in the amount of \$ \_\_\_\_\_. Buyer agrees to comply with any lender regulations that may require the transfer and deposit of funds to Buyer's account prior to settlement. A copy of the gift letter will be provided to Seller within \_\_\_\_ days of Contract of Sale acceptance. In the event evidence of the said gift is not provided to Seller as agreed, then Seller, at Seller's sole option, may declare the Contract of Sale null and void; and the deposit shall be returned to Buyer in accordance with a release of deposit agreement executed by Buyer and Seller.
- \_\_\_\_ 8. **SALE, SETTLEMENT OR LEASE OF OTHER REAL ESTATE.** Contract of Sale is contingent upon the delivery to Seller by 9:00 p.m. on (date) \_\_\_\_\_ of a Contract of Sale for the sale or lease of Buyer's property located at \_\_\_\_\_, and is further contingent upon the settlement of Buyer's property by 9:00 p.m. on (date) \_\_\_\_\_. Immediately upon acceptance of Contract of Sale, Buyer's property will be competitively priced according to a fair market evaluation and listed by a Broker who participates in a REALTOR's Multiple Listing Service. If Buyer fails to furnish Seller with a copy of an executed Listing Contract for Buyer's property within five (5) days of accepting Contract of Sale, Seller may declare Contract of Sale null and void upon delivery of written notice to Buyer, and the earnest money deposit shall be returned to Buyer in accordance with a release of deposit agreement executed by Buyer and Seller. If Buyer's property does not sell and settle or lease within the specified time periods, Contract of Sale shall become null and void and the earnest money deposit shall be returned to Buyer in accordance with a release of deposit agreement executed by Buyer and Seller.
- \_\_\_\_ 9. **SELLER'S PURCHASE OR LEASE OF ANOTHER PROPERTY.** Contract of Sale is contingent upon Seller's purchase or lease of another home. If Seller fails to deliver to Buyer written notification of removing this contingency by 9:00 p.m. on (date) \_\_\_\_\_, Contract of Sale may be voided by either Seller or Buyer by delivery of written notice to the other party, and earnest money deposit shall be returned to Buyer in accordance with a release of deposit agreement executed by Buyer and Seller.





10. **REMOVAL (KICK-OUT) OF CONTINGENCY.** Seller shall have the right to continue offering the property for sale to procure a Contract of Sale that is not contingent on the sale of other real estate. Should Seller receive such an acceptable written secondary Contract of Sale offer, Seller shall deliver written notice to Buyer. If Buyer does not waive in writing the condition making this offer contingent on the sale of Buyer's property within \_\_\_\_\_ hours from written notification to Buyer, Contract of Sale shall become null and void and the earnest money deposit shall be returned to Buyer in accordance with a release of deposit agreement executed by Buyer and Seller. Further, Buyer understands and hereby agrees that Buyer may not remove this contingency unless Buyer has received an acceptable written offer for his property containing no conditions or contingencies other than the standard financing contingency. At any time, Buyer may provide evidence of reasonable financial ability acceptable to Seller to proceed with Contract of Sale without regard to the sale of present home, thereby waiving this provision.
11. **THIRD PARTY APPROVAL.** Contract of Sale is subject to approval by \_\_\_\_\_ ☐ Buyer ☐ Seller may deliver written notice of disapproval to the other party not later than 9:00 p.m. on (date) \_\_\_\_\_. In the event of such notice, Contract of Sale shall become null and void and of no further force and effect and the earnest money deposit shall be returned to Buyer in accordance with a release of deposit agreement executed by Buyer and Seller. In the event notice of disapproval is not delivered within the specified time period, this contingency shall be deemed satisfied and removed, and Contract of Sale shall remain in full force and effect. No notice of approval is required.
12. **LIKE KIND TAX-DEFERRED EXCHANGE – PURCHASE.** It is the intent of Buyer to acquire Property as a replacement property in a Like Kind Tax-deferred Exchange under Section 1031 of the Internal Revenue Code (Exchange). Each reference to "Buyer" or "purchase" in Contract of Sale is stricken and replaced with the terms "Exchangor" or "exchange," as appropriate. Buyer/Exchangor may assign Contract of Sale to a Qualified Intermediary, solely for the purpose of completing Exchange, and shall deliver written notice to Seller when said assignment is made. Title shall be conveyed directly from Seller to Buyer/Exchangor in accordance with Revenue Ruling 90-34. Seller shall be held harmless by Buyer/Exchangor and Seller will incur no additional expense or liability as a result of this Like Kind Tax-deferred Exchange.
13. **LIKE KIND TAX-DEFERRED EXCHANGE – SALE.** It is the intent of Seller to transfer Property as part of a Like Kind Tax-deferred Exchange under Section 1031 of the Internal Revenue Code (Exchange). Each reference to "Seller" or "sale" in this Contract of Sale is stricken and replaced with the terms "Exchangor" or "exchange," as appropriate. Seller/Exchangor may assign Contract of Sale to a Qualified Intermediary, solely for the purpose of completing exchange for other replacement property to be identified and acquired later by the Seller/Exchangor, and shall deliver written notice to Buyer when said assignment is made. Title shall be conveyed directly from the Seller/Exchangor to Buyer in accordance with Revenue Ruling 90-34. Buyer shall be held harmless by Seller/Exchanger, and Buyer will incur no additional expense or liability as a result of this Exchange.
14. **SECONDARY CONTRACT OF SALE.** Parties acknowledge that this is a secondary Contract of Sale which shall become primary only upon the written termination and release of deposit agreement executed by Buyer and Seller for the pre-existing Contract of Sale. Buyer may void this secondary Contract of Sale at any time prior to its becoming primary by delivery of written notice to Seller. If this secondary Contract of Sale does not become primary, or is voided by Buyer, the earnest money deposit shall be returned to Buyer in accordance with a release of deposit agreement executed by Buyer and Seller.

Buyer and Seller acknowledge that they jointly and severally agree to indemnify and hold harmless the Listing and Selling Brokers and their agents and employees for any losses or damages resulting from any act or omission by any party as a result of the provisions contained in this Contract of Sale.

*All other terms and conditions of the Contract of Sale remain in full force and effect.*

Buyer	<u>Matthew Kilmarcy</u>	<u>3-4-10</u>	Date	Seller	Date
Buyer			Date	Seller	Date





**Anne Arundel County Association of REALTORS®**  
**ADDENDUM - ANNE ARUNDEL COUNTY REQUIRED**



ADDENDUM/AMENDMENT # 3 dated March 03, 2010 to Contract of Sale dated \_\_\_\_\_ between Buyer(s):  
Matthew P. Kilmurry and Seller(s): Julius L. Sager  
Patricia A. Sager for Property known as: 1712 Angel  
Ct, Severn, MD 21144

LEGAL DESCRIPTION. Lot/Parcel/Unit \_\_\_\_\_, Block \_\_\_\_\_, Section \_\_\_\_\_, Anne Arundel County, Liber  
 \_\_\_\_\_, Folio \_\_\_\_\_, Subdivision/Condominium Project Severn Woods

**REQUIRED NOTICE-ANNE ARUNDEL COUNTY LAND-USE PLANS.** The Buyer fully understands that in order to become more fully informed of the current and future land-use plans, facility plans, public works plans, school plans, or other plans affecting the property or area, the buyer should consult the appropriate County agency or County Internet web site for information regarding these plans. This notice is required under Section 10-703 of the Real Property Article, Annotated Code of Maryland, for any Contract of Sale for single family residential real property in Anne Arundel County which is improved by four or fewer single family units. Local laws requiring disclosure to home buyers of substantially similar information, if any, shall prevail over this notice requirement.  
 ([www.aacounty.org](http://www.aacounty.org))

**ANNAPOLIS HISTORIC DISTRICT ONLY-REQUIRED NOTICE-CITY OF ANNAPOLIS-**Property is located in the Historic District as defined by Annapolis City Code Section 21.56.030. Buyer should visit the website of the Historic Preservation Commission to learn about the various requirements that apply to properties located in the District. ([www.annapolis.gov](http://www.annapolis.gov))

\_\_\_\_ Buyer \_\_\_\_ Buyer \_\_\_\_\_ Seller \_\_\_\_ Seller

**NOTICE – WATERFRONT PROPERTY.** If this property is, or appears to be, “waterfront” property, Buyer will rely on Buyer’s own surveyor and title expert to ascertain the extent of any riparian rights or other rights of water access that inure to the owner of the Property.

**NOTICE – CHESAPEAKE BAY CRITICAL AREA.** If Anne Arundel County or the State has initiated enforcement action for a violation of a local law described in § 5-106(BB) (1) of the courts and judicial proceedings Article, a contract for sale of the real property where the violation occurred shall disclose:

- (I) The nature of the violation;
- (II) The status of any ongoing proceedings to enforce the violation; and
- (III) Any actions the buyer of the real property may be required to take with respect to the property in order to cure the violation.

**NOTICE – AIRPORT NOISE.** Buyer understands that Property may be located within the designated airport noise zone of the Baltimore-Washington International (BWI) Airport or other airport facility. Property may, now or in the future, be subject to over-flights of air traffic to and from that facility and experience cumulative day-night noise levels of 65 decibels or greater. Properties in an airport noise zone may be subject to zoning restrictions affecting new development or new uses of property without a zoning variance from the Board of Airport Zoning Appeals, as per Title 5 Subtitle 8 of the Transportation Article, Annotated Code of Maryland. A 24 hour “Noise Hotline” (410-859-7021) and Airport Noise Zone Map are available from the Maryland Aviation Administration, Maryland Department of Transportation. (Phone numbers are subject to change without notice). Buyer may obtain additional information regarding existing or planned airport facilities from Anne Arundel County authorities.

**NOTICE – HOMEOWNERS INSURANCE.** Buyer understands that an insurance provider may decline to insure, or change a premium rate to insure, this property if there has been prior insurance claim(s) against the property. Buyer will rely on Buyer’s own insurance provider to ascertain the approximate cost to insure Property.

Mk  
 Buyer

\_\_\_\_\_  
 Buyer

\_\_\_\_\_  
 Seller

\_\_\_\_\_  
 Seller

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THE FOLLOWING PARAGRAPHS APPLY ONLY IF BOTH BUYER(S) AND SELLER(S) INITIAL THEM:

Please check appropriate box or boxes and provide required information:

\_\_\_\_ 1. Owner(s) states that the property herein described is NOT subject to any Public or Private Front Foot Benefit Assessment and/or Capital Facilities Assessment.

\_\_\_\_ Owner(s) states that the herein described property is subject to Capital Facilities Assessment/Front Foot Benefit Assessment of \$ \_\_\_\_\_ per \_\_\_\_\_ payable to Anne Arundel County.

Each contract for the sale of real property in Anne Arundel County served by public water or wastewater facilities constructed as a result of an agreement permitted by Article 27, § 4-13(a) of the Anne Arundel Code shall contain a notice to the purchaser in substantially the following form:

MK NOTICE TO PURCHASERS OF REAL ESTATE IN ANNE ARUNDEL COUNTY. This property is subject to a fee or assessment which purports to cover or defray the cost of installing or maintaining all or part of the public water or wastewater facilities constructed by the developer of the Severn Woods subdivision. This fee or assessment is (amount) \$ 280.00 payable annually in (month) \_\_\_\_\_ to (Hereinafter called "lienholder") \_\_\_\_\_ until (date) \_\_\_\_\_. There may be a right of prepayment or discount for early payment which may be ascertained by contacting the lienholder. This fee or assessment is a contractual obligation between the lien holder and each owner of this property and is not in any way a fee or assessment by Anne Arundel County.

If a Seller subject to this section fails to comply with the provisions of this section:

- (1) Prior to Settlement, the Purchaser shall have the right to rescind the contract and to receive a full refund of all deposits paid on account of the contract, but the right of rescission shall terminate five days after the Seller provides to the Purchaser written notice in compliance with this section; and
- (2) following settlement, the Seller shall be liable to the Purchaser for the full amount of any open lien or assessment.

\_\_\_\_ 2. **NOTICE – RADIUM IN WELLWATER.** According to the Anne Arundel County Department of Health, studies indicate that the radium level in some areas of Anne Arundel County, Maryland, exceed the level established by the U.S. Environmental Protection Agency for drinking water, as described in *Radium in Well Water Information Sheet*. The radium level in well water may be determined through specific testing conducted by County Health authorities or by an environmental testing firm approved by County Health authorities. Buyer and Seller acknowledge receiving *Radium in Well Water Information Sheet and Map – Testing Area for Gross Alpha and Radium*.

\_\_\_\_ 3. **REQUIRED NOTICE – SPECIAL TAX DISTRICT.** Each year the buyer of this property must pay a special assessment or special tax imposed under Article 6 Title 4A of the Anne Arundel County Code, as of Contract of Sale date. The special assessment or special tax on this property amounts to \_\_\_\_\_ Dollars (\$) \_\_\_\_\_ each year; as of (date of each scheduled increase) \_\_\_\_\_, the assessment or tax may increase to (maximum amount or method for determining the same) \_\_\_\_\_. For further information on this assessment or tax, Buyer may contact the County Office of Finance. An increase in any special assessment, special tax, fee or charge is likely to occur in the foreseeable future but the timing or amount of the increase is not certain.

Buyer and Seller acknowledge that they jointly and severally agree to indemnify and hold harmless the Listing and Selling Brokers and their agents and employees for any losses or damages resulting from any act or omission by any party as a result of the provisions contained in this Contract of Sale.

All other terms and conditions of the Contract of Sale remain in full force and effect.

Matthew Kilmurray 3-4-10  
Buyer Date

\_\_\_\_\_  
Seller Date

\_\_\_\_\_  
Buyer Date

\_\_\_\_\_  
Seller Date





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

ADDENDUM # 4 dated March 03, 2010 to the Contract of Sale dated \_\_\_\_\_,  
 between Buyer Matthew P. Kilmurry,  
 and Seller Julius L. Sager, Patricia A. Sager  
 for Property known as 1712 Angel Ct

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.



Buyer MKJ

Seller /





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.

Matthew Kilmurray      3-4-10  
Buyer's Signature      Date

\_\_\_\_\_  
Seller's Signature      Date

\_\_\_\_\_  
Buyer's Signature      Date  
Mary Richardson      3-3-10  
Agent's Signature      Date

\_\_\_\_\_  
Seller's Signature      Date

\_\_\_\_\_  
Agent's Signature      Date

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**MARYLAND RESIDENTIAL PROPERTY DISCLAIMER STATEMENT**

NOTICE TO OWNER(S): Sign this statement only if you elect to sell the property without representations and warranties as to its condition, except as otherwise provided in the contract of sale and in the listing of latent defects set forth below; otherwise, complete and sign the RESIDENTIAL PROPERTY DISCLOSURE STATEMENT.

Except for the latent defects listed below, the undersigned owner(s) of the real property make no representations or warranties as to the condition of the real property or any improvements thereon, and the purchaser will be receiving the real property "as is" with all defects, including latent defects, which may exist, except as otherwise provided in the real estate contract of sale. The owner(s) acknowledge having carefully examined this statement and further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

The owner(s) has actual knowledge of the following latent defects: \_\_\_\_\_

Owner *John Seger* Date \_\_\_\_\_  
 Owner *Patricia Seger* Date \_\_\_\_\_

The purchaser(s) acknowledge receipt of a copy of this disclaimer statement and further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

Purchaser *Matthew Kulmang* Date *3-4-10*  
 Purchaser \_\_\_\_\_ Date \_\_\_\_\_



**Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards****Lead Warning Statement**

A buyer/tenant of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may contain lead-based paint and that exposure to lead from lead-based paint, paint chips or lead paint dust may place young children at risk of developing lead poisoning if not managed properly. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller/landlord of any interest in residential real property is required to disclose to the buyer/tenant the presence of known lead-based paint hazards and to provide the buyer/tenant with any information on lead-based paint hazards from risk assessments or inspections in the seller's/landlord's possession. A tenant must receive a federally approved pamphlet on lead poisoning prevention. It is recommended that a buyer conduct a risk assessment or inspection for possible lead-based paint hazards prior to purchase.

**Seller's/Landlord's Disclosure**

- (a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

☐ (i) Known lead-based paint and/or lead-based paint hazards are present in the housing (explain):

☒ (ii) Seller/Landlord has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

- (b) Records and reports available to the seller (Check (i) or (ii) below):

☐ Seller/Landlord has provided the purchaser/tenant with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

☒ (ii) Seller/Landlord has no reports pertaining to lead-based paint and/or lead-based paint hazards in the housing.

**Buyer's/Tenant's Acknowledgment (Initial)**

- (c) Buyer/Tenant has received copies of all information listed in section (b)(i) above, if any.

- (d) Buyer/Tenant has received the pamphlet *Protect Your Family from Lead in Your Home*

- (e) Buyer has [check (i) or (ii) below]:

(i) received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii) Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

**Agent's Acknowledgment (Initial)**

- (f) Agent has informed the seller of the Seller's/Landlord's obligations under 42 U.S.C. 4852d and is aware of his/her responsibility to ensure compliance.

**Certification of Accuracy**

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

Julie J. Rogers  
Seller/Landlord

Date

Matthew T. Murray  
Buyer/Tenant

3-4-10  
Date

Patricia Sager  
Seller/Landlord

Date

Buyer/Tenant

Date

[Signature]  
Seller's/Landlord's Agent

Date

Mary Richardson  
Buyer's/Tenant's Agent

3-3-10  
Date



10/07

lead\_sal







#7

## **FIRST-TIME MARYLAND HOME BUYER TRANSFER AND RECORDATION TAX ADDENDUM**

FOR USE ONLY WHEN AN INDIVIDUAL HAS NEVER OWNED RESIDENTIAL REAL PROPERTY IN THE STATE OF MARYLAND AND THE PARTIES INTEND TO PROVIDE FOR AN EXPRESS AGREEMENT ON TERMS DIFFERENT FROM THOSE CONTAINED IN PARAGRAPH 24 OF THE CONTRACT OF SALE.

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
- (C.) 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.

BUYER IS A FIRST-TIME MARYLAND HOMEBUYER WHO WILL OCCUPY THE IMPROVED, RESIDENTIAL REAL PROPERTY AS A PRINCIPAL RESIDENCE.

### **1. STATE TRANSFER TAX**

- (A) SECTION 13-203(B) OF THE TAX-PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND PROVIDES THAT THE RATE OF THE STATE TRANSFER TAX IS REDUCED FROM 0.50% TO 0.25% OF THE CONSIDERATION PAYABLE FOR THE INSTRUMENT IN WRITING AND SHALL BE PAID ENTIRELY BY THE SELLER.
- (B) SECTION 14-104(C)(2) OF THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND PROVIDES THAT THE ENTIRE AMOUNT OF STATE TRANSFER TAX SHALL BE PAID BY THE SELLER.

### **2. RECORDATION TAX AND LOCAL TRANSFER TAX**

SECTION 14-104(C)(1) OF THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND PROVIDES THAT THE ENTIRE AMOUNT OF RECORDATION TAX AND LOCAL TRANSFER TAX SHALL BE PAID BY THE SELLER UNLESS THERE IS AN EXPRESS AGREEMENT BETWEEN THE PARTIES THAT THE RECORDATION TAX AND LOCAL TRANSFER TAX WILL NOT BE PAID ENTIRELY BY THE SELLER.

BUYER AND SELLER EXPRESSLY AGREE THAT THE COST OF RECORDATION TAX AND LOCAL TRANSFER TAX SHALL BE PAID AS FOLLOWS: (**BUYER AND SELLER TO INITIAL ONE**)

       /        SELLER TO PAY  
       /        BUYER TO PAY  
       / mk OTHER AS FOLLOWS:        Buyer & Seller to Split       

**All other terms and conditions of the Contract of Sale remain in full force and effect.**

Matthew Kilmurry 3-4-10  
Buyer Signature Date

\_\_\_\_\_  
Seller Signature Date

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

\_\_\_\_\_  
Seller Signature Date







## PROPERTY INSPECTIONS ADDENDUM

ADDENDUM # 8 dated March 03, 2010 to Contract of Sale dated \_\_\_\_\_, between  
Buyer Matthew P. Kilmurry, \_\_\_\_\_ and  
Seller, Julius L. Sager, Patricia A. Sager for  
Property known as, 1712 Angel Ct,  
Severn, MD 21144-.

Only those sections of Paragraph #3 below (A, B, C, D, E) initialed by both Buyer and Seller shall apply to this Property Inspection Addendum.

**1. SCOPE AND LIMITATIONS OF INSPECTIONS:** The purpose of any inspection(s) selected below is to discover significant and material defects or adverse or dangerous conditions, if any, of the components and systems of the property, and any other items identified in the subsections below. The future condition and performance of the above systems and components are not warranted by Seller or inspector and are not to be considered subject to this Addendum.

This Addendum does not affect Seller's obligations under the "Condition of Property and Possession" paragraph of the Contract.

**2. SELLER'S OBLIGATION UNDER OTHER PROVISIONS OF CONTRACT:** This Addendum does not affect Seller's obligations under the "Condition of Property and Possession" paragraph of the Contract.

### 3. ITEMS TO BE INSPECTED:

MKI **A. Structural and Mechanical:** Buyer, at Buyer's expense, has the right to have the  
\_\_\_\_/\_\_\_\_ Property inspected by a qualified professional engineer, home inspector, or other expert selected by Buyer. Buyer. Such inspection shall be completed and in the event defects are found, a copy of the entire inspection report shall be submitted to Seller, together with a written statement indicating what items in the report are considered unsatisfactory and what corrective action is required, within Fifteen  
(15) days from the Date of Contract Acceptance. Inspection may include, but is not limited to, foundations and/or basement (including chronic water penetration), floor systems, ceilings, doors and windows, roof, insulation, exterior and interior wall systems, decks, porches, garages, plumbing, and electrical systems, heating and cooling systems and components, appliances, and mechanical equipment, and also other items as noted:

MKI **B. Mold:** Buyer, at Buyer's expense, has the right to have a qualified expert selected by Buyer take  
\_\_\_\_/\_\_\_\_ air quality and surface samples in any area of the interior or exterior of the structures, including garage, to determine evidence of mold or mold spores of any kind and level(s) of toxicity. Samples will be sent for analysis to a qualified laboratory. Such inspection and laboratory analysis shall be completed and in the event mold or mold spores are found, a copy of the laboratory analysis and report together with a separate written statement indicating what repair or corrective action is required, shall be submitted to Seller, within Fifteen  
(15) days from the Date of Contract Acceptance.

\_\_\_\_/\_\_\_\_ **C. Environmental:** Buyer, at Buyer's expense, has the right to have the Property inspected  
\_\_\_\_/\_\_\_\_ by a qualified expert selected by Buyer. Such inspection shall be completed and in the event defects are found, a copy of the entire inspection report shall be submitted to Seller, together with a written statement indicating what



Buyer MKI

Page 1 of 4 10/08

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



items in the report are considered unsatisfactory and what corrective action is required, within \_\_\_\_\_ (\_\_\_\_) days from the Date of Contract Acceptance. Inspection(s) may include, but are not limited to, the presence of asbestos, existence and integrity of underground oil/gasoline tanks, presence of solvents/paint thinners, urea formaldehyde foam insulation (UFFI), synthetic stucco (EIFS), polybutylene piping, mold spores, and other items if noted:

Note: a separate Lead-Based Paint Hazard Inspection Addendum must be attached in order for this Contract to be contingent upon a lead-based paint risk assessment or inspection.

  /   **D. Radon:** Buyer, at Buyer's expense, has the right to have the Property tested for radon in  
  /   accordance with Environmental Protection Agency (EPA) testing protocols to determine whether the radon level (or average radon level if the test results are reported as an integrated average over time) equals or exceeds the action level as determined by the EPA. Such testing shall be completed and in the event the radon level equals or exceeds the EPA action level, a copy of the test results together with a separate written statement indicating what corrective action is required, shall be submitted to Seller, within \_\_\_\_\_ (\_\_\_\_) days from the Date of Contract Acceptance.

  /   **E. Chimney Inspection:** Buyer, at Buyer's expense, has the right to have the Property's  
  /   chimney(s), flue(s), and fireplace(s) inspected by a qualified expert, selected by Buyer, to determine safety and structural soundness. Such inspection shall be completed and in the event defects are found, a copy of the entire inspection report shall be submitted to the Seller, together with a written statement indicating what items in the report are considered unsatisfactory and what corrective action is required, within \_\_\_\_\_ (\_\_\_\_) days from the Date of Contract Acceptance. Buyer and Seller understand that the chimney(s), flue(s), and fireplace(s) may need to be cleaned in order to perform said inspection, and Seller hereby authorizes Buyer to instruct inspector to clean systems if needed, at Buyer's expense.

  /   **F. Additional Inspection(s):** Buyer, at Buyer's expense, has the right to have the Property  
  /   inspected for \_\_\_\_\_. Such inspection(s) shall be completed and in the event defects are found, a copy of the entire inspection report shall be submitted to Seller, together with a written statement indicating what items in the report are considered unsatisfactory and what corrective action is required, within \_\_\_\_\_ (\_\_\_\_) days from the Date of Contract Acceptance.

**Note: Termite and other wood destroying insect infestation inspection terms are governed by the Termite Inspection paragraph of the Contract.**

**4. RIGHTS AND OBLIGATIONS OF BUYER AND SELLER:** Seller shall make the Property accessible for such inspections. Neither Buyer, nor any agent or contractor of Buyer, shall in any way excavate, penetrate or otherwise damage any part of the Property without the prior written consent of Seller nor shall any furnishings, boxes, or personal property belonging to Seller be moved or relocated unless absolutely necessary in connection with the inspection. If the Property is part of a condominium, Buyer will be given access to the common areas to perform the inspection(s). Buyer and Seller shall have the right to be present during the inspection(s), and Buyer shall give Seller reasonable advance notice of the date and time of the inspection(s).

**5. INSPECTION REPORT PROCESS:** The following terms shall apply to EACH initialed inspection contingency in Paragraph 3 above:



#### A. Waiver of Buyer's Right to Terminate Contract

If, within the time period specified, Buyer fails to have inspection performed, or if Buyer pursuant to paragraph 5.C. below fails to submit entire inspection report to Seller along with a separate written statement indicating what items identified in the report are considered unsatisfactory, and what corrective action is requested, Buyer shall be deemed to have accepted, as satisfactory, said inspection report; and Buyer shall have no right thereafter to terminate the Contract or request corrective action pursuant to the provisions of this Addendum. If Buyer elects not to request corrective action from Seller as a result of an inspection, Buyer shall not be required to submit a copy of the inspection report to Seller.

#### B. Buyer's General Right to Terminate Contract

**NOTICE: THIS PARAGRAPH 5.B. SHALL NOT APPLY UNLESS INITIALED BY BOTH BUYER AND SELLER. If this Paragraph 5.B. is initialed only by the Buyer, then no binding contract shall be deemed to have been formed by and between the parties, even if this Addendum has been signed by both Buyer and Seller, unless Seller shall delete this Paragraph 5.B. by strike-through, duly initialed by Seller, which deletion shall be deemed to be a counter-offer by the Seller to the Buyer for acceptance by the Buyer. If the Buyer wishes to accept the deletion of this Paragraph 5.B., then Buyer shall evidence such acceptance by initials of the Buyer.**

Buyer, upon written notice to the Seller given within the time period specified for each inspection contingency, shall have the unconditional right to terminate the Contract for no stated reason, based upon Buyer's general dissatisfaction with the inspection results. If Buyer elects to terminate the Contract, the Contract shall become null and void, and all Deposit(s) shall be disbursed in accordance with the Deposit(s) paragraph of the Contract.

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

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

#### C. Buyer's Specific Right to Terminate Contract

**NOTICE:** This paragraph 5.C. shall apply in the event paragraph 5.B. is not initialed by both Buyer and Seller OR if paragraph 5.B. is initialed by both Buyer and Seller but Buyer elects not to terminate the Contract pursuant to paragraph 5.B.

Within five (5) days from receipt of notice from Buyer of an unsatisfactory inspection report, Seller shall notify Buyer in writing whether Seller, at Seller's expense, will repair or correct all, some, or none of the items noted by Buyer. If Seller elects to repair or correct all of the stated unsatisfactory conditions, the Contract shall remain in full force and effect; and Seller shall repair or correct, in a good and workmanlike manner and prior to settlement, all of the unsatisfactory conditions noted by Buyer.

If Seller elects to repair or correct only some, or none, of the unsatisfactory conditions, or fails to respond within the five (5) day period, Buyer, by written notice to Seller given within two (2) days of receipt of Seller's notice, or from the date that such written notice was to have been provided by Seller, may elect either to terminate the Contract or waive the right of repair or correction of any unsatisfactory conditions which Seller will not repair or correct. If Buyer elects to terminate the Contract, the Contract shall become null and void; and the Deposit(s) shall be disbursed in accordance with the Deposit(s) paragraph of the Contract. If Buyer waives the right of repair or correction of the condition which Seller will not repair or correct, or if Buyer, within two (2) days of receipt of Seller's notice, fails to notify Seller of Buyer's election to either terminate the Contract or to waive the right to repair or correct any unsatisfactory conditions which Seller will not repair or correct, the Contract shall remain in full force

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

Page 3 of 4 10/08

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



and effect; and Seller shall repair or correct, in a good and workmanlike manner and prior to settlement all of the unsatisfactory conditions which Seller agreed to repair or correct.

**6. REPAIRS, CORRECTION, RE-INSPECTION:** Seller agrees to complete repairs in sufficient time for Buyer to inspect prior to settlement. Buyer shall have the right to inspect the Property upon the completion of repairs or corrective action by Seller to confirm that Seller has performed, in a good and workmanlike manner, all of the repairs and corrective action, which Seller agreed to perform.

**7. DAMAGE TO PROPERTY:** If Buyer or Buyer's agents or contractors damage the Property during the exercise of Buyer's rights under this Addendum, Buyer shall immediately reimburse Seller for all costs incurred in correcting such damage.

***All other terms and conditions of the Contract of Sale remain in full force and effect.***

<u>Matthew Kulmurry</u>	<u>3-4-10</u>	_____	_____
Buyer Signature	Date	Seller Signature	Date

_____	_____	_____	_____
Buyer Signature	Date	Seller Signature	Date

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Dear Buyer(s): Matthew P. Kilmurry

## Survey Approval and Disclosure Form:

In connection with your purchase of the property located at:

1712 Angel Ct  
Severn, MD 21144

A licensed Maryland Surveyor will be engaged to prepare a location drawing. This location drawing is generally satisfactory for purposes of either purchase or refinancing.

Since a location drawing is not a boundary survey and does not identify property boundary lines, new State Regulations require the surveyor to have your approval. If you prefer, the surveyor can be engaged to perform a boundary (stake) survey, which includes a location drawing, but, in addition, identifies property boundary lines marked with property boundary corners. This survey can be used for erecting a fence, a garage, or other improvements on the property in the future.

The estimated charge for a location drawing is \$300 - \$500 and has been the standard requirement for settlement or refinancing. If you choose this option and place your title order with Champion Realty Title, Champion Realty Title will automatically order it for you and take care of all further paperwork and correspondence.

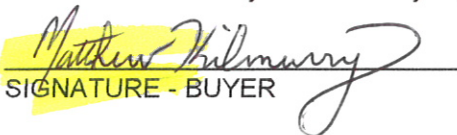
A boundary "stake" survey, which includes a location drawing, is estimated to cost from \$500 - \$2,000 or more depending on the particular piece of property being surveyed, and will require a deposit and direct contact between the buyer and surveyor.

### Purchase Authorization to Surveyor

Please check the appropriate Line below and sign promptly so that there will be no delay in settlement. This form may be signed by only one buyer if only one is available.

☒ I/We approve the preparation of a location drawing. I/We have read this approval and understand that, in the absence of any problem revealed by or during preparation of this drawing, it will meet the survey requirement for settlement.

☐ I/We request a boundary line "stake" survey that will include a location drawing, and will identify and mark property boundary lines. I/We understand this is not required for settlement purposes, will increase the cost of the services, and will require me/us to deal directly with a surveyor pursuant to the Title Company's instructions.

	<u>3-4-10</u>	_____	_____
SIGNATURE - BUYER	DATE	SIGNATURE - BUYER	DATE



#10

Anne Arundel County Association of REALTORS®  
**RESIDENTIAL PROPERTY INFORMATION**

Property known as: 1712 Angel Court Severn MD 21144

OWNER: Julius and Patricia Sager

LISTING BROKER: Century 21 H.T. Brown Realty

1. **INCLUSIONS/EXCLUSIONS:** Included in the sale price are all permanently attached fixtures and smoke detectors. Other items which may be considered personal property, whether installed or stored upon the property, are included as follows:

INCLUDED	INCLUDED	INCLUDED	INCLUDED
Alarm System	Electronic Air Filter	Intercom	Storm Windows
<del>Built in Microwave</del>	Exhaust Fan(s) # <u>ONE</u>	Playground Equipment	Stove or Range
Ceiling Fan(s) # <u>ALL</u>	Exist. W/W Carpet	Pool, Equip. & Cover	T.V. Antenna
Central Vacuum	Fireplace Screen/Door	Refrigerator(s) # <u>ONE</u>	Trash Compactor
Clothes Dryer	Freezer	Ice maker <u>YES</u>	Wall Oven(s) # _____
Clothes Washer	Furnace Humidifier	Satellite Dish	Water Filter
Cooktop	Garage Opener(s) # <u>NO</u>	Screens	Water Softener
Dishwasher	w/remote(s) # _____	Shades/Blinds	Window A/C Unit(s) # _____
Drapery/Curtain Rods	Garbage Disposer	Storage Shed(s) # <u>ONE</u>	Window Fan(s) # _____
Draperies	Hot Tub, Equip. & Cover	Storm Doors	Wood Stove

ADDITIONAL INCLUSIONS (SPECIFY): \_\_\_\_\_

EXCLUSIONS (SPECIFY): \_\_\_\_\_

2. **FEES/ RESTRICTIONS:** Property is subject to mandatory fees/restrictions imposed by (please check all that apply):

( ☒ ) Homeowner's Association: \_\_\_\_\_ ( ☒ ) Mandatory ( ☐ ) Voluntary \$ 50.00 per YEAR  
 ( ☐ ) Condominium Association: \_\_\_\_\_ \$ \_\_\_\_\_ per \_\_\_\_\_  
 ( ☒ ) Front Foot Benefit/Capital Facilities fee: \_\_\_\_\_ \$ 280.00 per YEAR  
 ( ☐ ) Special Taxing District: \_\_\_\_\_ \$ \_\_\_\_\_ per \_\_\_\_\_  
 ( ☐ ) Historic District Designation: \_\_\_\_\_  
 ( ☐ ) Other \_\_\_\_\_  
 ( ☐ ) Private Utility Assessment ( *Front Foot Addendum* attached)

**NOTE:** List additional information, including community amenities and services included in fees, on a separate attached page.

3. **LIMITED WARRANTY:** OWNER acknowledges notification by BROKER that an optional limited warranty, available to purchase by OWNER, will provide limited coverage for the repair of mechanical equipment, appliances, plumbing and electrical systems, and other coverage as specified by the Home Warranty. ( ☒ ) OWNER waives the option to purchase warranty ( ☐ ) OWNER elects to purchase a \_\_\_\_\_ warranty at a cost of \$ 0 to be deducted from OWNER's proceeds at settlement.

4. **INSURANCE CLAIMS:**

A report from the Comprehensive Loss Underwriting Exchange (CLUE) is attached.

A report from the Comprehensive Loss Underwriting Exchange (CLUE) is not attached.

5. **LIABILITY:** OWNER indemnifies and holds harmless the BROKER and Listing Agent for any losses, damages or liabilities resulting from any act or omission by OWNER including, but not limited to, providing inaccurate or incomplete information, and OWNER's or Buyer/Tenant's non-performance or default under any Contract of Sale.

6. **OTHER INFORMATION** (including all "material facts"):

SERVICE POLICY ON HVAC AND  
NOT WATER HEATER

Information provided herein is true, correct and complete to the best of OWNER's knowledge, and OWNER authorizes Listing Broker to provide said information to other brokers and prospective buyers/tenants.

OWNER: Jul Sager

Date: \_\_\_\_\_

OWNER: Patricia Sager

Date: \_\_\_\_\_

This form is the property of Anne Arundel County Association of REALTORS®, Inc. and may be used only by Association members.

AACAR Form #L-3026, Revised 08/2005

Prepared By Century 21 H.T. Brown Realty  
 - Carolyn Gardiner



Anne Arundel County Association of REALTORS®



## HOMEOWNER'S ASSOCIATION NOTICE

Statutory Notice Required

ADDENDUM/AMENDMENT # 12 dated March 03, 2010 to Contract of Sale dated \_\_\_\_\_ Buyer(s):  
Matthew P. Kilmurry and Seller(s):  
Julius L. Sager Patricia A. Sager for Property known as:  
1712 Angel Ct Severn MD 21144-

Addendum Regarding Disclosure from Seller to Buyer of the Maryland Homeowner's Association Act (MHAA) information and Buyer's acknowledgment and receipt of information required by Section 11B-106(b) of the Real Property Article of the Annotated Code of Maryland.

THIS SALE IS SUBJECT TO THE REQUIREMENTS OF THE MARYLAND HOMEOWNER'S ASSOCIATION ACT (MHAA); THE MHAA REQUIRES THAT SELLER DISCLOSE TO YOU AT OR BEFORE THE TIME THE CONTRACT IS ENTERED INTO, OR WITHIN 20 CALENDAR DAYS OF ENTERING INTO THE CONTRACT, CERTAIN INFORMATION CONCERNING THE DEVELOPMENT IN WHICH PROPERTY YOU ARE PURCHASING IS LOCATED. THE CONTENT OF THE INFORMATION TO BE DISCLOSED IS SET FORTH IN SECTION 11B-106(b) OF THE MHAA AS FOLLOWS:

Seller shall provide to Buyer the following information in writing:

1. A statement as to whether Property is located within a Development;
2.
  - (i) The current monthly fees or assessments imposed by the Homeowner's Association (HOA) upon property;
  - (ii) The total amount of fees, assessments, and other charges imposed by the HOA upon Property during the prior fiscal year of the HOA; and
  - (iii) A statement of whether any of the fees, assessments, or other charges against property are delinquent;
3. The name, address and telephone number of the management agent or other individual authorized by the HOA to provide to members of the public information regarding the HOA and the development, or a statement that no agent or officer is presently so authorized;
4. A statement as to whether the owner has actual knowledge of:
  - (i) The existence of any unsatisfied judgments or pending lawsuits against the HOA;
  - (ii) Any pending claims, covenant violation actions, or notices of default against Property; and
5. A copy of:
  - (i) The Articles of Incorporation, the Declaration, and all recorded Covenants and Restrictions of the primary development, and of the other related documents to the extent reasonably available to which the Buyer shall become obligated on becoming an owner of Property, including a statement that these obligations are enforceable against the owner's tenants, if applicable; and
  - (ii) The Bylaws and rules of the primary development, and of other related developments to the extent reasonably available, to which Buyer shall become obligated on becoming an owner of Property, including a statement that these obligations are enforceable against the owner's tenants, if applicable.

IF YOU HAVE NOT RECEIVED ALL OF THE MHAA INFORMATION 5 CALENDAR DAYS OR MORE BEFORE ENTERING INTO THE CONTRACT, YOU HAVE 5 CALENDAR DAYS TO CANCEL THIS CONTRACT AFTER RECEIVING ALL OF THE MHAA INFORMATION. YOU MUST CANCEL THE CONTRACT IN WRITING, BUT YOU DO NOT HAVE TO STATE A REASON. SELLER MUST ALSO PROVIDE YOU WITH NOTICE OF ANY CHANGES IN MANDATORY FEES EXCEEDING 10% OF THE AMOUNT PREVIOUSLY STATED TO EXIST AND COPIES OF ANY OTHER SUBSTANTIAL AND MATERIAL AMENDMENTS TO THE INFORMATION PROVIDED TO YOU.

YOU HAVE 3 CALENDAR DAYS TO CANCEL THIS CONTRACT AFTER RECEIVING NOTICE OF ANY CHANGES IN MANDATORY FEES OR COPIES OF ANY SUBSTANTIAL AND MATERIAL AMENDMENT TO THE MHAA INFORMATION WHICH ADVERSELY AFFECTS YOU. IF YOU DO CANCEL THE CONTRACT, YOU WILL BE ENTITLED TO A REFUND OF ANY DEPOSITS YOU MADE ON ACCOUNT OF THE CONTRACT. HOWEVER, UNLESS YOU RETURN THE MHAA INFORMATION TO SELLER WHEN YOU CANCEL THE CONTRACT, SELLER MAY KEEP OUT OF YOUR DEPOSIT THE COST OF REPRODUCING THE MHAA INFORMATION, OR \$100.00 WHICHEVER AMOUNT IS LESS.

This form is the property of Anne Arundel County Association of REALTORS®, Inc. and may be used only by Association members.



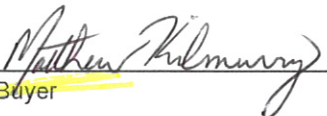
BY PURCHASING A PROPERTY WITHIN THIS DEVELOPMENT, YOU WILL AUTOMATICALLY BE SUBJECT TO VARIOUS RIGHTS, RESPONSIBILITIES AND OBLIGATIONS INCLUDING THE OBLIGATION TO PAY CERTAIN ASSESSMENTS TO THE HOMEOWNER'S ASSOCIATION WITHIN THE DEVELOPMENT; PROPERTY YOU ARE PURCHASING MAY HAVE RESTRICTIONS ON:

1. ARCHITECTURAL CHANGES, DESIGN, COLOR, LANDSCAPING, OR APPEARANCE;
2. OCCUPANCY DENSITY;
3. KIND, NUMBER OR USE OF VEHICLES;
4. RENTING, LEASING, MORTGAGING, OR CONVEYING PROPERTY;
5. COMMERCIAL ACTIVITY;
6. OTHER MATTERS.

YOU SHOULD REVIEW THE MHAA INFORMATION CAREFULLY TO ASCERTAIN YOUR RIGHTS, RESPONSIBILITIES, AND OBLIGATIONS WITHIN THE DEVELOPMENT.

The Brokers, their agents and employees shall be indemnified and held harmless by Seller and Buyer for any damages arising out of any act or omission by any party not in compliance with the Maryland Home Owner's Association Act.

***All other terms and conditions of Contract of Sale remain in full force and effect.***

 3-4-10  
Buyer Date

\_\_\_\_\_  
Seller Date

\_\_\_\_\_  
Buyer Date

\_\_\_\_\_  
Seller Date



## Affiliated Business Disclosure Notice and Consumer Information Relative to the Purchase Or Sale of Real Estate

The Broker/Agent provides this information to assist you, the Consumer, in making an informed decision regarding the purchase or sale of real property.

1. **Legal Requirements:** All contracts for real property are required to be in writing to be enforceable and to comply with Maryland law. The contract will be a legally binding document. The Broker/Agent will, upon request, provide you with a blank copy of the sales contract form. You have the right to have your legal counsel review this form and represent you pertaining to all legal documentation. The Listing Broker/Agent is required to submit all written offers to the Seller.
2. **Financing:** Mortgage rates, discount points and loan fees vary with financial institutions and the market. The Buyer has the right to select a lender and to negotiate the terms of the financing and other terms and conditions of the loan. These terms may be subject to the Seller's approval and the lender's requirements. After the Seller has agreed to pay discount points/fees as set forth in the contract, the Buyer may not change the loan terms to the detriment of the Seller.
3. **Title Services:** In the event Champion Realty Title is selected to be the settlement company to process and complete settlement, the undersigned acknowledge that they have been informed that Champion Realty Title is a wholly owned subsidiary of HomeServices of America, Inc.
4. **Mortgage Services:** In the event Champion Realty Mortgage is selected to provide the financing for the purchase of property, the undersigned acknowledge that they have been informed that Champion Realty Mortgage is a d/b/a of HomeServices Lending, LLC, a joint venture between the parent company of Champion Realty Inc. and Wells Fargo Home Mortgage
5. **Insurance Services:** Homeowner insurance rates and availability are determined in part by the number and nature of claims and inquiries made on a property's policy and the number and nature of claims made by a potential Buyer. Buyer will rely on Buyer's own insurance provider to ascertain the approximate cost to insure a property.
6. **Homeowners' Insurance:** In the event Champion Realty Insurance is selected to provide homeowner insurance for the purchase of property, the undersigned acknowledge that they have been informed that Champion Realty Insurance is a wholly owned subsidiary of HomeServices of America, Inc.
7. **Home Inspection and Warranty Options:** A Buyer may request to have a property inspected at their own risk and expense. The inspection may be made of the entire premises and may include, but not be limited to, condition of mechanical, electrical, plumbing, heating and cooling systems; structural soundness and watertight integrity; or presence of hazardous substances. The fees and terms of inspections vary and should be ascertained prior to hiring an inspection firm.
8. **A HOME WARRANTY** policy is available for purchase by either Buyer or Seller. In the event an American Home Shield (hereafter AHS) warranty policy is selected this is to notify you that Champion Realty Inc. has a business relationship with AHS. Champion Realty Inc. has a marketing agreement with AHS to promote their home warranty product. Because of this relationship, Champion Realty Inc. receives financial benefits from AHS. There are other home warranty providers available who offer a similar service. You are free to shop around to determine that you are receiving the best service and the best rate for this service. Home Warranty Protection premiums generally cost between \$462-\$927 depending on the option coverage ordered.
9. **Fair Housing:** A REALTOR® is required by law and the National Association of Realtors Code of Ethics to treat all parties in a property transaction fairly and honestly without regard to race, color, religion, national origin, sex, age, marital status, sexual orientation, presence of children, or physical or mental handicap.
10. **Planned Land Use, Roads or Highways:** Broker/Sales Associate is not advising Consumer as to issues, including but not limited to soil conditions; flood hazard areas; possible restrictions of the use of the property due to restrictive covenants; subdivisions; environmental laws; easements; airport or aircraft noise; planned land use, roads or highways; construction materials; hazardous materials; mold, radium, radon and lead-based paint. Information relating to these issues may be available from appropriate governmental authorities.



11. **Waterfront Property:** If a property is, or appears to be, waterfront property, Buyer will rely on Buyer's own surveyor and title expert to ascertain the extent of any riparian rights or other rights of water access that convey to the owner of the property. Beach or boating facilities located within a community may require a membership or usage fee.
12. **FHA Prepayment:** FHA regulations specify that if a loan is paid in full on the first day of the month, interest for that month is not payable, but if the loan is paid in full on any other day other than the first day of the month, interest may be payable through the end of that month.
13. **Flood Plain:** If a property is located in a flood plain, flood insurance could be required by the lender as a condition of granting a mortgage. Construction on a property could be restricted or prohibited.
14. **Agency Relationships:** According to Maryland license law, Buyers and Sellers must be provided a written disclosure about agency relationships. If Buyers desire to have a Broker/Agent represent them, a written exclusive Buyer Agency Agreement is required by law.
15. **Property Condition Disclosure/Disclaimer:** Sellers are required by law, with limited exceptions, to provide Buyers with a standard property condition disclosure or disclaimer based on the Seller's actual knowledge, at the time of contract. The Seller has the option to disclose or disclaim, however, the Seller is always obligated to disclose all known material facts and latent defects.
16. **Flat Fee Commission Sellers:** At the time of settlement the Sellers will be charged a flat fee commission of \$250.00. The flat fee commission and the percentage commission are Champion Realty Inc.'s total commission for all of its services. The flat fee commission is retained solely by Champion Realty Inc. The percentage commission is shared between Champion Realty Inc., its agents, and cooperating brokers, if any. The flat fee commission is not designated for any specific purpose. It is applied to all the services provided to you by Champion Realty Inc. The Seller understands that the Buyer may also be charged a Flat Fee Commission in the same transaction and agrees in advance that the collection of the \$250 from the Buyer has been disclosed to them and they are in agreement. This paragraph does not apply to a "For Sale by Owner" transaction or a property listed with another Broker.
17. **Flat Fee Commission Buyers:** At the time of settlement all buyers will be charged a flat fee commission of \$250.00. The flat fee commission is in addition to any percentage commissions that may be due Champion Realty Inc. per the Buyer Agency Agreement if a Buyer Agency Agreement has been executed. The flat fee commission is retained solely by Champion Realty Inc. and is not designated for any specific purpose. It is applied to all the services provided to you by Champion Realty Inc. The Buyer understands that the Seller may also be charged a Flat Fee Commission in the same transaction and agrees in advance that the collection of the \$250 from the Seller has been disclosed to them and they are in agreement. This paragraph does not apply to a Buyer represented by a cooperating Broker.

**ARBITRATION:** Any controversy or claim between the parties to either the Exclusive Right to Sell Residential Brokerage Agreement or the Contract for Exclusive Buyer Agency Agreement their interpretation, enforcement, or breach, including but not limited to claims arising from tort (which includes claims of fraud in the inducement), shall be settled by binding arbitration administered by and under the rules of the American Arbitration Association. While either party shall have all of the rights and benefits of arbitration, both parties are giving up the right to litigate such claims and disputes in a court or jury trial. The results, determinations, findings, judgments and/or awards rendered through such arbitration shall be final and binding on the parties hereto and may be specifically enforced by legal proceedings. Judgment on the award may be entered into any court having jurisdiction. Neither party shall be entitled to join or consolidate disputes by or against others in any arbitration any dispute as a representative or member of a class, or to act in any arbitration in the interest of the general public or in any private attorney general capacity.

Seller Signature

Date

Seller Signature

Date

Buyer Signature

Date

Buyer Signature

Date

#14



State of Maryland  
Real Estate Commission

January 1, 1999

## 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.

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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

CHAMPION REALTY (firm name)

and Mary Richardson (salesperson) are working as

- ☐ seller/landlord's agent  
☐ cooperating agent  
☒ buyers/tenants agent  
☐ dual agent (See Consent for Dual Agency form)

(You may check more than one box)

Sharon Kilgus 2/23/10  
Signature Date

Matthew Kilgus 2-23-10  
Signature Date

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.

Agent's Signature

Date

Name of individual to whom disclosure was made

Name of individual to whom disclosure was made