

## **AUCTION PURCHASE AND SALE AGREEMENT**

Complete Property Address: \_\_\_\_\_

This Auction Purchase and Sale Agreement (this "Agreement" is made by and between the undersigned owner ("Owner") and the undersigned Buyer ("Buyer").

Owner is the owner of real property and improvements (the "Property") described in the advertisement (the "Advertisement") attached hereto as Exhibit A. If the Advertisement identifies more than one (1) property to be sold at auction, then Exhibit A shall specify the Property purchased hereunder. Owner engaged Atlantic Auctions, Inc. ("Atlantic") to conduct a public auction of the Property, and Buyer is the successful bidder at such auction.

Now, therefore, in consideration of the premises and promises herein contained, the parties agree as follows:

1. **Purchase and Sale.**

A. Sale of Property: Purchase Price. Owner agrees to sell and convey, and Buyer agrees to purchase, the Property upon the terms and conditions herein set forth. The Property is sold in fee simple, or subject to a ground rent, as specified in the Advertisement. The purchase price ("Purchase Price") for the Property, which is the total of the amount bid by Buyer at the auction sale on the date hereof plus a three and one-half percent (3.5%) Buyer's Premium, is \$\_\_\_\_\_.

B. Deposits. Upon execution of this Agreement, Buyer shall make an earnest money deposit (the "First Deposit") in the form of cash, a cashier's check or a certified check as specified in the Advertisement. If there is a requirement in the Advertisement for the subject Property, then on or before the date specified in the Advertisement, an additional deposit (the "Second Deposit") shall be delivered to Atlantic's office, which is physically located at 4805 Philadelphia Road, Belcamp, MD 21017 (Mailing Address ONLY is Atlantic Auctions, Inc., P.O. Box 200, Belcamp, MD 21017) in the form of cash, cashier's check or certified check, in the amount necessary to bring the total deposit (the "Deposit", being the First Deposit and the Second Deposit, collectively) to the total amount or percentage as specified in the Advertisement. The Deposit shall be held in escrow in a non-interest-bearing account. The Deposit shall be applied to the Purchase Price at Closing, and the Deposit, net of all amounts due by Owner to Atlantic, shall be paid to Owner at Closing.

C. Balance of Purchase Price. At Closing, Buyer shall pay the Purchase Price, less the Deposit, in immediately available U.S. funds.

D. Default in Payment. If payment of any part of the Deposit or the Purchase Price is not paid within the specified periods and in the manner herein specified, the Buyer shall be in default, in which case any Deposit paid will be forfeited by Buyer to Owner and the Property may, in Owner's sole

discretion, be resold at the risk and expense of the defaulting Buyer. If Owner does not resell the Property at the defaulting Buyer's risk, the Deposit shall constitute liquidated damages and Buyer shall be deemed to have agreed that the Deposit is a fair and reasonable amount to be retained by Owner as agreed and liquidated damages in light of Owner's removal of the Property from the market and the costs incurred by Owner, and it shall not constitute a penalty or forfeiture. Owner is not required to accept any back-up bid nor is Owner obligated to negotiate with any back-up party. If Owner shall default under this Agreement prior to Closing or refuse or fail to convey the Property, the successful bidder's sole remedy therefore shall be either (i) to terminate this Auction Purchase and Sale Agreement and have the Deposit returned, or (2) to seek the specific performance of this Agreement. In no event shall Atlantic be liable to the successful bidder for any default of the Owner.

2. **Closing; Performance on Saturdays, Sundays and Holidays.** Payment of the Purchase Price and the consummation of the transaction contemplated by this Agreement is called the "Closing". The Closing shall occur within the time period specified in the Advertisement, and shall be held at the office of Buyer's title company which, unless Owner otherwise agrees, shall be located within twenty (20) miles of the Property. Whenever the date fixed for the payment of funds, the giving of notice, or the performance of any other provision of this Agreement falls on a Saturday, Sunday, legal holiday or any day on which banking institutions in the city of payment or performance are authorized by law to close, then such payment, notice or performance need not be made on such date, but shall be made on the next succeeding business day with the same force and effect as if made on the date fixed (and, as to payments, no additional interest shall accrue on such payment if payment is made on such next succeeding business day).

3. **Auction Sale Terms and Conditions.** The parties agree that the Terms and Conditions established by Atlantic for real estate auction sales shall apply to this transaction, which terms and conditions are attached hereto and incorporated herein by reference as Exhibit B. If Buyer has bid on the Property through "Atlantic Auction Simulcast", our on-line bidding platform, the parties agree that the terms and conditions established by Atlantic, or its authorized agent, for use for online bidding at real estate auction sales as provided as a condition of Buyer's use of such Atlantic Auctions website shall also apply to this transaction, which additional terms and conditions are set forth on Atlantic Auctions' website (the "Website"). BUYER ACKNOWLEDGES THAT THIS AGREEMENT, SUCH ADDITIONAL TERMS AND CONDITIONS SPECIFIC TO THE PROPERTY SUBJECT TO THIS AGREEMENT AND, IN ADDITION, SUCH TERMS AND CONDITIONS APPLICABLE TO THE UTILIZATION BY ANY USER OF SUCH WEBSITE, ARE POSTED AT THE ATLANTIC AUCTIONS WEBSITE AND ARE AVAILABLE IN THE "DOCUMENT SECTION" OF THAT WEBSITE AND MOBILE APPLICATION (IF THE PROVISION OF SUCH MOBILE APPLICATION IS PROVIDED AT ATLANTIC AUCTION'S SOLE ELECTION) PERTAINING TO THE PROPERTY, AND THAT BUYER HAS HAD AN ADEQUATE OPPORTUNITY TO REVIEW THE SAME, TOGETHER WITH THE ONLINE BIDDING TERMS AND CONDITIONS ADDENDUM AND ALL OTHER DOCUMENTS IN THE DOCUMENT SECTION, BEFORE THE AUCTION AND BEFORE EXECUTING THIS AGREEMENT. BUYER ACKNOWLEDGES THAT THE DOCUMENTS IN THE DOCUMENT SECTION OF THE WEBSITE MAY BE UPDATED FROM TIME TO TIME AND THAT BUYER HAS HAD AN ADEQUATE OPPORTUNITY TO REVIEW THE SAME IMMEDIATELY PRIOR TO THE AUCTION OR OTHER SALE OF THE PROPERTY AND BUYER'S SIGNING OF THIS AGREEMENT. BUYER ACKNOWLEDGES THAT HE/SHE/IT HAS HERETOFORE CONDUCTED ANY AND ALL DUE DILIGENCE AND THAT HE/SHE/IT IS PURCHASING THE PROPERTY "AS

IS”, “WHERE-IS”, SUBJECT TO ANY AND ALL VIOLATION NOTICES OR REQUIREMENTS NOTED OR ISSUED BY ANY GOVERNMENTAL ENTITY. THIS AGREEMENT IS NOT CONTINGENT UPON ANY INSPECTIONS OF THE PROPERTY, OF ANY LEASES PERTAINING TO THE PROPERTY, OR OTHERWISE. THE TERMS AND CONDITIONS CONTAIN FURTHER DISCLAIMERS, WAIVERS, TERMS AND CONDITIONS, ALL OF WHICH ARE INCORPORATED AS PART OF THIS AGREEMENT.

4. **Title.** At Closing, Owner shall convey good and marketable title, subject to all easements, covenants, restrictions, or other declarations or agreements of record, or which may be observed by an inspection of the Property, provided that Owner shall discharge any mortgages, deeds of trust, tax liens, judgments, mechanic's liens or other monetary encumbrances against the Property. Buyer expressly assumes the risk that matters of record, and/or matters which may be observed by an inspection of the Property, and/or zoning laws, may restrict or prohibit the use of the Property for the purposes intended by Buyer. If Owner is unable to convey title as above specified, then Owner shall have the option to extend the Closing Date by thirty (30) days, or for such longer period as Owner and Buyer may agree to in writing (the “Title Extension Period”), during which period Owner may seek to cure title matters. If Owner declines to extend the Closing Date or is unable to cure title matters during any Title Extension Period, then this Agreement shall be terminated and the Deposit returned to Buyer in which event there shall be no further liability or obligation on either of the parties hereto. In the event that there is a Title Extension Period and the Advertisement specifies that interest accrues on the Purchase Price from the date of the auction through the Closing Date, interest shall accrue through last day preceding the commencement of the Title Extension Period but not during the Title Extension Period. In the event that there is a Title Extension Period and the Advertisement specifies that Closing adjustments are to be as of the date of the auction, then Closing adjustments shall, instead, be made as of the last day preceding the commencement of the Title Extension Period.

5. **Closing Costs and Prorations.**

A. The cost of all documentary stamps, recordation taxes and transfer taxes, relating to the conveyance of the Property shall be paid by Buyer; provided, however, that if the Property is improved residential real property, and if Buyer is a first time Maryland homebuyer as defined in MD Tax Property Code §13-203(b), as from time to time amended, who will occupy the Property as Buyer's personal residence, then Owner shall pay the such portion of the state transfer tax to the extent required by law. Any and all other costs of settlement, including, but not limited to, fees or costs for title examination, title insurance, recording fees, notary fees and lien and judgment reports shall be paid by Buyer. Except as otherwise specifically provided in this Agreement, each party shall bear its own costs in performing its obligations under this Agreement including, without limitation, its own attorneys' fees.

B. The following items pertaining to the Property are to be prorated or adjusted in accordance with Exhibit A, “Advertisement”, and thereafter assumed by Buyer: any ground rent, special assessment liens, sewer charges, and operating or utility charges actually collected, billed, or paid as of the date of Closing; real property taxes; utilities; rental, additional rental and any other charges under all leases; and any other items expressly provided to be adjusted in Exhibit A. All pro-rations and Closing adjustments shall be made on the basis of a 365-day calendar year. All such pro-rations and adjustments shall be subject to post-Closing adjustments as necessary to reflect later relevant information not available at Closing and

to correct any errors made at Closing with respect to such apportionments. The party receiving more than it was entitled to hereunder shall reimburse the other party hereto in the amount of such overpayment within thirty (30) days after receiving written demand therefore. Rents received from tenants at the Property after Closing shall be applied first on account of rent due for the month in which the Closing shall have occurred, or the immediately preceding calendar month. Additional sums received shall be next applied to rents due for periods after the Closing until current, and any remaining sums received shall be applied thereafter to amounts due for periods preceding the Closing. Owner reserves the right to receive from Buyer all rentals received after Closing and applicable to periods preceding the Closing together with refunds received after the Closing of any sums paid by Owner prior to Closing. Notwithstanding the foregoing, such apportionments shall be deemed final and not subject to further post-Closing adjustment if no such adjustments have been requested within ninety (90) days after Closing. The foregoing provisions shall expressly survive the Closing.

C. All security deposits held by Owner, and any interest as may be accrued thereunder in accordance with the terms of any leases, shall be delivered by Owner to Buyer at Closing.

6. **Closing Documents and Matters.**

A. Preparation for Closing. Within five (5) business days following the date of this Agreement, Buyer shall engage the services of an attorney and/or title company to examine title, to prepare all documents to be executed at Closing, and to conduct Closing, all at Buyer's sole cost, and shall, within ten (10) business days following the dates of this Agreement, provide written notification of such attorney/title company to Owner and Atlantic.

B. Financing. BUYER'S OBLIGATIONS UNDER THIS AGREEMENT ARE NOT CONTINGENT UPON BUYER SECURING ANY FINANCING FOR THE PURCHASE OF THE PROPERTY. If Buyer chooses to seek financing, Buyer may do so at Buyer's sole risk and expense by submitting a mortgage application to a mortgage lender or mortgage broker within five (5) business days from the date of this Agreement, but the failure to apply for or secure financing in the amount or time or terms desired by Buyer shall not excuse Buyer from timely performance of all obligations under this Agreement. Owner agrees to grant access to the Property for appraisals sought by Buyer, but if the Property is leased to one or more third parties, Owner agrees only to request that the tenant(s) grant such access; this Agreement is NOT CONTINGENT upon the conduct or results of any appraisal.

C. Buyer's Deliveries. At the Closing, Buyer shall deliver or cause to be delivered the following original documents, each acknowledged and executed (as appropriate): (a) any evidence of the authority of any permitted assignee of Buyer to consummate the transaction contemplated hereby that is reasonably requested by the title company; (b) a Settlement Sheet and (c) such other documents as may be reasonably requested by the title company and which are both consistent with this Agreement and customarily executed in Maryland by a Buyer to effectuate the conveyance of real property. At Closing, Buyer shall cause to be paid to Owner the balance of the Purchase Price as herein required.

D. Owner's Deliveries. Buyer shall cause Buyer's title company or attorney to prepare at Buyer's cost the following original documents, each of which shall be acknowledged and executed by Owner (as appropriate) at the Closing: (i) a special warranty deed with covenants of further assurances;

(b) an Affidavit pursuant to the Foreign Investment in Real Property Tax Act; (c) an Owner's Title Affidavit on a commercially reasonable form; (d) a Settlement Sheet; and (e) such other documents as may be reasonably requested by the title company and which are both consistent with this Agreement and customarily executed in Maryland by an Owner to effectuate the conveyance of real property.

E. Possession. Buyer shall be entitled to possession of the Property at the conclusion of Closing subject only to the matters expressly permitted by or pursuant to this Agreement.

F. Utility Deposits and Service Agreements. Effective upon Closing, Owner may notify the utility companies serving the Property of the sale hereunder and direct such companies to: (i) return to Owner any deposit or deposits posted by Owner, (ii) terminate Owner's guaranty of any accounts effective on the date of Closing, and (iii) direct to Buyer all bills for services provided to the Property on and after the date of Closing. Any service contracts relating to the Property shall be terminated by Owner as of Closing, unless Buyer chooses to assume same.

7. Risk of Loss. The Property is to be held at the risk of the Owner until legal title has passed to the Buyer. If, prior to the time legal title has passed to the Buyer, all or a substantial part of the Property is destroyed or damaged, without fault of the Buyer, then this Contract, at the option of the Buyer, shall be null and void and of no further effect, and the Deposit shall be returned promptly to the Buyer; or, if Owner and Buyer so agree, the parties shall proceed to settlement and all insurance proceeds on the Property (excluding insurance proceeds on Owner's possessions not sold hereunder) shall be assigned by Owner to Buyer.

8. Section 1031 Exchange. Owner, at its sole election, may make its sale of the Property a part of a qualifying exchange of like-kind property under Section 1031 of the Internal Revenue Code of 1986, as amended. Buyer agrees to cooperate with Owner (without cost to Buyer) in the completion of such exchange, and shall execute such documents as directed by Owner in connection therewith.

9. Chesapeake and Atlantic Coastal Bays Critical Areas. 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 such areas. 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 the tidal tributaries. The "Critical Area" also includes the waters of all lands under the Chesapeake Bay, the Atlantic Coastal Bays and all of the tidal tributaries to the head of tide. Buyer has made such investigations as to "Critical Areas" as Buyer deems necessary prior to executing this Agreement. This Agreement IS NOT CONTINGENT upon "Critical Areas" inspections, permits or other "Critical Areas" approvals or issues.

10. Wetlands. If all or a portion of the Property is wetlands, the approval of the U.S. Army Corps of Engineers (the "Corps") may 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. Buyer has made such investigations as to wetlands on the Property as Buyer deems necessary prior to executing this Agreement. This Agreement IS NOT CONTINGENT upon wetland inspections, permits or other wetland approvals or issues.

11. **Miscellaneous.**

A. No alteration, modification, or interpretation of this Agreement shall be binding unless in writing and signed by both parties.

B. If any provision of this Agreement, or any application to any party or circumstances, shall be determined by any court having jurisdiction to be invalid and unenforceable to any extent, the remainder of this Agreement or the application of such provision to such person or circumstances, other than those as to which it is so determined invalid or unenforceable, shall not be affected thereby, and each provision hereof shall be valid and shall be enforced to the fullest extent permitted by law, except that, if as a result thereof, the consideration to be paid to Owner under this Agreement is diminished in any material respect, Owner shall have the option, upon written notice to Buyer, to terminate this Agreement. If this Agreement is so terminated, Owner shall direct the Escrow Agent/Atlantic to return the Deposit to Buyer, and neither party shall have any liability to the other.

B. This Agreement shall be construed and enforced in accordance with the laws of the State of Maryland.

C. The captions in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Agreement or the scope or content of any of its provisions.

D. Time is of the essence of this Agreement.

E. No failure or delay by a party to exercise any right it may have by reason of the default of the other party shall operate as a waiver of default or as a modification of this Agreement or shall prevent the exercise of any right by the first party while the other party continues to be so in default.

F. For the purpose of complying with Internal Revenue Service reporting requirements for this transaction, the Title Company shall be obligated to prepare and file the 1099-S form (and any necessary supporting documentation), and Owner and Buyer shall cooperate with any requests from the Title Company in connection therewith.

G. Subject to the dispute resolution provisions of Section 13 of this Agreement, Owner, Buyer and Atlantic submit to the subject matter jurisdiction, personal jurisdiction and venue of the Circuit Court and/or District Court for Harford County, Maryland, or any other court with proper venue and personal jurisdiction over the parties, in any action arising out of or relating to this Agreement notwithstanding residency.

12. **Notices.** Any notices or requests required to be given hereunder shall be: (i) hand delivered, or (ii) sent by Federal Express or similar overnight service for next business day delivery, or (iii) sent by U.S. certified mail, return receipt requested, and in all cases, shall be addressed to the parties at their respective addresses as set forth below their signatures to this Agreement, or to such other address as either party may from time to time designate by giving notice in writing to the other party. Notice shall be considered

given on the date of hand delivery; one (1) business day after delivery to the overnight delivery service, or three (3) business days after the date of mailing, independent of the date of actual delivery or whether delivery is ever in fact made, as the case may be, provided that the giver of notice can establish that notice was given as set forth herein.

13. **Dispute Resolution; Arbitration.** If a dispute arises out of or relates to this Agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, the parties, upon the mutual written agreement of all parties, may agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Commercial Mediation Procedures. In the event mediation is unsuccessful, any controversy or claim arising out of or relating to this Agreement, or the breach thereof, shall be settled by binding arbitration administered by the American Arbitration Association (“AAA”) in accordance with its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The dispute shall be heard by one (1) arbitrator who shall be appointed as provided in the AAA Commercial Arbitration Rules. In the event that the parties mutually agree to submit to settlement dispute by mediation as provided herein, this Section 13 shall not preclude Atlantic from filing an interpleader action in a court of competent jurisdiction pursuant to Section 15, below.

14. **Persons Signing on Behalf of an Entity or under Power of Attorney.** If an individual signing this Agreement (the “Signer”) is identified as acting on behalf of an entity (an “Entity”), then the Signer personally represents that at the date of this Agreement: (a) the Signer is duly authorized to sign on behalf of and legally bind such Entity to this Agreement; and (b) that such Entity is lawfully in existence, is in good standing, and that there is no legal impediment to such Entity entering into this Agreement. If Signer is identified as acting on behalf of another individual (a “POA Grantor”) pursuant to a Power of Attorney, then the Signer personally represents that at the date of this Agreement: (a) the Signer is duly authorized to sign on behalf of and legally bind to this Agreement the POA Grantor; and (b) the Power of Attorney is in effect, legally valid and has not been revoked. In the event that any of the foregoing representations is incorrect, then the Signer shall be personally liable for all obligations of the Entity or POA Grantor under this Agreement as if the Signer had signed this Agreement in the Signer's individual capacity, and the Deposit shall be treated as if paid by the Signer; provided, however, that the Entity or POA Grantor identified in this Agreement shall not be relieved of any obligations it may have under this Agreement. Owner and/or Atlantic may (but shall not be required to) heretofore or hereafter request evidence of the foregoing representations, satisfactory to the requesting party in its sole and absolute discretion; however, the failure to request such evidence and/or the acceptance and/or reliance thereon will not relieve the Signer of personal liability in the event that any of the foregoing representations are incorrect.

15. **Provisions Regarding an Interpleader Action.** The following provisions are applicable to Atlantic, as Escrow Agent. Atlantic shall hold and disburse the Deposit in accordance with the terms and provisions of this Agreement and shall cause the Deposit to be applied in accordance with the provisions hereof. In the event this Agreement shall be tenanted by the mutual written agreement of the parties, then Atlantic shall deliver the Deposit in accordance with written instructions directed to Atlantic and signed by the parties hereto authorizing Atlantic to disburse the Deposit in accordance with the terms and conditions of such written instructions. In the event that Atlantic shall be unable to determine at any time to whom the Deposit should be paid, or a dispute shall develop between the parties concerning to whom the Deposit should be paid, then, unless Atlantic shall have received written instructions from the

parties within ten (10) days after Atlantic has served a written request upon the parties for instructions authorizing Atlantic to disburse the Deposit in accordance with such written instructions, Atlantic shall have the right by bill of interpleader to pay the Deposit, less the reasonable expenses of Atlantic, as hereinafter set forth, into a court having jurisdiction and interplead the parties in respect thereof (notwithstanding the mediation and binding arbitration provisions in Section 13, above), and thereafter, Atlantic shall be discharged of any obligations in connection with this Agreement. All reasonable costs or expenses incurred by Atlantic because of litigation, or a dispute between the parties arising out of the holding of the Deposit in escrow shall be paid by the non-prevailing party and charged and assessed as court costs in favor of the prevailing party. Except for such costs or expenses, no fee or charge shall be due or payable to Atlantic for its services as escrow holder. The parties agree that Atlantic assumes no liability in connection herewith except for its gross negligence or willful misconduct. Atlantic is authorized to disregard any notices received by it except communications expressly provided for herein and all orders and processes of any court pertaining hereto. Atlantic shall not be liable for any act taken or omitted hereunder if taken or omitted by it in good faith and in the exercise of its reasonable judgment. Atlantic shall be fully protected in relying on any written notice, certificate, or other communication which it, in good faith, believes to be genuine.

16. **JURY TRIAL WAIVER.** THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY, AND IRREVOCABLY WAIVE THEIR RIGHT TO A TRIAL BY JURY AND AGREE THAT ANY DISPUTE HEREUNDER (INCLUDING WITHOUT LIMITATION ANY DISPUTE WITH ATLANTIC) SHALL BE DECIDED PURSUANT TO SECTIONS 13 AND 15 HEREOF; NONETHELESS, ANY JUDICIAL PROCEEDINGS PERMITTED HEREUNDER OR PERMITTED BY A COURT TO PROCEED SHALL BE DECIDED SOLELY BY A JUDGE (WITHOUT THE USE OF A JURY) SITTING IN A COURT HAVING JURISDICTION. THIS JURY TRIAL WAIVER PROVISION SHALL SURVIVE THE CLOSING AND THE TERMINATION OF THIS AGREEMENT.

17. **Counterparts /Electronic Signatures.** This Agreement may be executed simultaneously in one (1) or more counterparts, each of which will be deemed to be an original, but all of which together will constitute one and the same instrument. This Agreement may be executed by facsimile transmission, scanned attachment to email, or other electronic signature, which shall be deemed to be valid and as effective as original signatures once delivered to the other party.

18. **Intended Third Party Beneficiary.** Atlantic is an intended third-party beneficiary of this Agreement.

19. **NO MODIFICATION.** THIS AGREEMENT HAS BEEN PROVIDED BY ATLANTIC TO OWNER AND BUYER; THE LANGUAGE OF THE AGREEMENT AS SO PROVIDED IS THE "MASTER AGREEMENT". OWNER AND BUYER EACH WARRANT THAT THEY HAVE NOT IN ANY WAY CHANGED (BY INSERTION, DELETION, MODIFICATION, ETC.) ANY LANGUAGE FROM THE LANGUAGE APPEARING IN THE MASTER AGREEMENT, UNLESS ANY SUCH CHANGE HAS BEEN EXPRESSLY AND SPECIFICALLY AGREED TO BY EACH OF ATLANTIC, OWNER AND BUYER AND HAS BEEN AND INITIALED BY ALL OF THEM. IN THE EVENT OF ANY CHANGE IN THE LANGUAGE HEREIN NOT SO INITIALED BY ATLANTIC, OWNER AND BUYER, SUCH CHANGE SHALL BE DISREGARDED AND CONCLUSIVELY DEEMED

REPLACED BY THE APPLICABLE LANGUAGE OF THE MASTER AGREEMENT WHICH SHALL BE DEEMED INCORPORATED HEREIN BY REFERENCE.

IN WITNESS WHEREOF, the parties have executed and delivered this Agreement on the date below.

OWNER or OWNER'S AGENT:

BUYER:

\_\_\_\_\_(SEAL)  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Tele: \_\_\_\_\_  
E-mail: \_\_\_\_\_

\_\_\_\_\_(SEAL)  
Name: \_\_\_\_\_  
Date: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Tele: \_\_\_\_\_  
E-mail: \_\_\_\_\_

\_\_\_\_\_(SEAL)  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Tele: \_\_\_\_\_  
E-mail: \_\_\_\_\_

\_\_\_\_\_(SEAL)  
Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Tele: \_\_\_\_\_  
E-mail: \_\_\_\_\_

Acknowledgement of Receipt of First Deposit in the amount of \$ \_\_\_\_\_.

Method of payment: Cash  
(select method)

Cashier's Check  
Check # \_\_\_\_\_  
Bank: \_\_\_\_\_

Certified Check  
Check # \_\_\_\_\_  
Bank: \_\_\_\_\_

BY: \_\_\_\_\_  
Name: \_\_\_\_\_  
Company: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



## EXHIBIT B

### Auction Sale Terms and Conditions

1. Property Information. THE PROPERTY SHALL BE SOLD IN “AS-IS”, “WHERE-IS” CONDITION (as more fully described in the Disclaimer in Section 14 of these Terms and Conditions), subject to any slate of facts an accurate survey or personal inspection of the Property may reveal, rights of tenants and parties in possession, if any, any existing rights-of-way, easements, encroachments, restrictive covenants, matters of record, zoning regulations, governmental agency regulations, notices of violations of law or municipal ordinances, environmental conditions, leases, adverse possession, restrictions, sewer assessments, and any code violations issued or noted by any governmental entity, if applicable, and subject to water and sewer use charges and assessments, if any. No improvements or repairs to the Property are required to be made by Owner.

2. Bidder Registration. All persons or entities intending to bid must register with Atlantic Auctions, Inc. (“Atlantic”) prior to commencement of the auction and provide evidence that they are in possession of a cashier's check, certified check, or cash in the amount of the deposit stated in the advertisements for the sale. Immediately upon the conclusion of the auction, the successful bidder shall pay the stated deposit to Atlantic Auctions Inc., by cashier's check, certified check, or cash. If a bidder is participating via our Online Bidding Platform through Atlantic Auctions Simulcast at the Atlantic Auctions’ website, please refer to the online bidding addendum and conditions of use found in the Document Section of the Property's website listing. The online bidding addendum is also available electronically when a bidder registers to bid on the property online.

3. Auction Purchase and Sale Agreement. Immediately upon the conclusion of the auction, the successful bidder must execute and deliver a completed Auction Purchase and Sale Agreement (“Auction Purchase and Sale Agreement”), in the form established by Atlantic, which is available for inspection prior to the auction. ALL PERSONS INTENDING TO BID AT THE AUCTION ARE ADMONISHED PRIOR TO THE AUCTION TO REVIEW THE AUCTION PURCHASE AND SALE AGREEMENT AND ITS EXHIBITS AND ADDENDA, AND ALL OTHER DOCUMENTS IN THE DOCUMENT SECTION, AND TO CONSULT WITH LEGAL COUNSEL WITH RESPECT THERETO. BUYER ACKNOWLEDGES THAT THE DOCUMENTS IN THE DOCUMENT SECTION MAY BE UPDATED FROM TIME TO TIME AND THAT BUYER HAS HAD AN ADEQUATE OPPORTUNITY TO REVIEW THE SAME IMMEDIATELY PRIOR TO THE AUCTION OR OTHER SALE OF THE PROPERTY AND BUYER’S SIGNING OF AUCTION PURCHASE AND SALE AGREEMENT. The fully executed Auction Purchase and Sale Agreement (together with all Exhibits) shall control all terms and conditions of the sale. The Closing Date shall be as specified in the Auction Purchase and Sale Agreement. No changes to the terms of the Auction Purchase and Sale Agreement will be permitted. If for any reason the successful bidder fails or refuses to deposit the required funds and/or to execute the Auction Purchase and Sale Agreement immediately upon conclusion of the auction, the Owner reserves the right to declare the successful bidder's rights void, any deposit forfeited, and may auction the Property once again at the successful bidder's risk.

4. Notice of Agency Relationship. Atlantic is acting as agent for the Owner in this transaction. Atlantic is not acting as agent for the successful bidder. Any buyer/broker is acting as an agent for the successful bidder and is not a sub-agent of Atlantic.

5. Property Inspection. In addition to the matters set forth in the Disclaimer in Section 14 of these Terms and Conditions, all bidders are advised as follows: (i) It is the bidder's responsibility to inspect the Property, the improvements located thereon and the immediate surroundings, and to be satisfied as to its condition prior to the auction, and to inquire of public officials as to the applicability of and compliance with land use laws, codes, ordinances, zoning laws and any subdivision laws and regulations; (ii) Any and all materials provided by the Owner or Atlantic, including, but not limited to, photographs, directions, square footages, dimensions, acreages, zoning, leases, maintenance fees, association dues, taxes, dates or ages of the Property, operating statements, rental income, security deposits, etc. are believed by the Owner to be correct; however, neither Owner nor Atlantic make any guarantee or warranty as to the accuracy or completeness of such information.

6. Open House; Property Condition. The Property may currently be occupied by tenants and may not have been fully available for inspection. Nonetheless, the Property is sold "AS IS, WHERE IS, WITH ALL FAULTS" even if the successful bidder has not had the opportunity to inspect all portions of the Property or of the leases with tenants. All bidders shall take such circumstances into account in bidding at the auction and signing the Auction Purchase and Sale Agreement.

7. Terms of Sale. The Deposit shall not be refundable except in the case of a material default by Owner under Auction Purchase and Sale Agreement. A defaulting buyer is not entitled to any surplus profits or any compensation and the sale is void.

8. Buyer's Premium. There will be a Buyer's Premium, as specified in Section 1 of the Purchase and Sale Agreement, added to the high bid price to arrive at the total contract price, or purchase price, for the Property to be paid by the successful bidder at closing. It is not a separate fee paid by the successful bidder.

9. Closing Adjustments. Closing adjustments shall be as set forth in Auction Purchase and Sale.

10. Closing. Closing provisions shall be as set forth in Auction Purchase and Sale Agreement.

11. Auction with Reserve. (a) Unless otherwise expressly stated in auction advertisements, the Property is offered subject to a reserve. A reserve is the minimum price that the Owner is willing to accept for the Property, which may or may not be disclosed, and which may be determined or modified at any time by written or verbal communication between the Owner and Atlantic through the conclusion of the auction sale for the Property. It is important for all bidders to know that Atlantic may open the bidding on the Property by placing a bid on behalf of the Owner, and may continue to bid on behalf of the Owner up to the amount of the reserve price, either by placing consecutive bids or by placing bids in response to other bidders. Owner may make or procure bids at the auction up to the amount of the reserve price on its own behalf or through an agent, and Atlantic may receive such bids.

(b) Owner expressly reserves the right, upon written agreement signed by Owner and bidder, to name the reserve and to accept a price lower than the reserve, at Owner's sole discretion.

12. Acceptance and Rejection of Bids; Miscellaneous. Atlantic may in its sole and absolute discretion: (1) cancel the auction sale at any time; (2) modify or change the terms and conditions of sale, by oral or written announcement, prior to or during the auction (and all such announcements shall take precedence over all advertisements, these Terms and Conditions, and any Property information files); (3) deny any person the opportunity to bid and expel anyone who in any way disrupts or attempts to disrupt an auction; (4) accept or reject, on Owner's behalf, any back-up bid in the event any Buyer defaults. All decisions of Atlantic are final as to the methods of bidding, disputes among bidders, increments of bidding, priority of bidders and any other matters that may arise before, during or after the auction.

13. Ground Rent. If the Property is subject to a ground rent, then Buyer is advised that if said ground rent is not timely paid, the reversionary owner of the ground rent may bring an action of ejectment against Buyer pursuant to Maryland law. As a result of such ejectment action, the reversionary owner of the ground rent may be discharged from the lease and obtain title to the property in fee simple. If neither the auction contract nor the advertisement attached thereto as Exhibit A disclose the ground rent, then the parties agree to reduce the purchase price by any reversion price for the ground rent provided in the lease creating the ground rent; or if such lease does not provide a reversion price, then by the annual ground rent amount capitalized at the rate of 4% if the lease creating the ground rent was executed prior to April 6, 1888, or 6% if the lease creating the ground rent was executed after April 5, 1888 and prior to July 1, 1982, or 12% if the lease creating the ground rent was executed on or after July 1, 1982.

14. DISCLAIMERS.

A. THE PROPERTY IS SOLD IN "AS IS, WHERE IS, AND WITH ALL FAULTS" CONDITION, WITH ALL EXISTING DEFECTS (PATENT AND LATENT), AND WITHOUT ANY WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND AUTHENTICITY. THE SUCCESSFUL BIDDER SHALL BE DEEMED TO ACCEPT ALL FAULTS OF THE PROPERTY WHETHER KNOWN OR UNKNOWN, PRESENTLY EXISTING OR THAT MAY HEREAFTER ARISE. OWNER AND ATLANTIC, AND THEIR EMPLOYEES, AGENTS, CONTRACTORS, OFFICERS, AND DIRECTORS SHALL NOT BE LIABLE OR BOUND IN ANY MANNER BY ANY ORAL OR WRITTEN STATEMENTS, REPRESENTATIONS OR INFORMATION PERTAINING TO THE PROPERTY, OR THE OPERATION THEREOF, THAT IS FURNISHED BY THEM OR BY ANY REAL ESTATE BROKER, AGENT, EMPLOYEE OR ANOTHER PERSON. THE SUCCESSFUL BIDDER SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT OWNER AND ATLANTIC AND THEIR RESPECTIVE EMPLOYEES, AGENTS, CONTRACTORS, OFFICERS, AND DIRECTORS, HAVE NOT MADE, DO NOT MAKE AND SPECIFICALLY NEGATE AND DISCLAIM ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTEES OF ANY KIND OR CHARACTER WHATSOEVER, WHETHER EXPRESS OR IMPLIED, ORAL OR WRITTEN, PAST, PRESENT OR FUTURE, OR AS TO CONCERNING OR WITH RESPECT TO:

- i. THE MANNER OR QUALITY OF THE CONSTRUCTION OR MATERIALS, IF ANY, INCORPORATED INTO THE PROPERTY;
- ii. THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR OF THE PROPERTY;
- iii. THE PHYSICAL CONDITION OR ANY OTHER ASPECT OF THE PROPERTY, INCLUDING WITHOUT LIMITATION THE STRUCTURAL INTEGRITY OF ANY IMPROVEMENTS ON THE PROPERTY, THE CONFORMITY OF THE IMPROVEMENTS TO ANY PLANS OR SPECIFICATIONS FOR THE PROPERTY THAT MAY BE PROVIDED TO BIDDERS, THE CONFORMITY OF THE PROPERTY TO APPLICABLE ZONING OR BUILDING CODE REQUIREMENTS;
- iv. CONSTRUCTION MATERIALS AND/OR HAZARDOUS MATERIALS, INCLUDING WITHOUT LIMITATION FALME RETARDANT TREATED PLYWOOD (FRT), RADON, RADIUM, MOLD SPORES, UREA FORMALDEHYDE FOARM INSULATION (UFFI), SYNTHETIC STUCCO (EIFS), ASBESTOS, POLYBUTELENE PIPING, OR LEAD BASED PAINT;
- v. WATER QUANTITY, QUALIFY, COLOR OR TASTE, OR OPERATING CONDITIONS OF PUBLIC AND/OR PRIVATE WATER SYSTEMS;
- vi. LOCTION, SIZE OR OPERATING CONDITION OF ANY ON-SITE SEWAGE DISPOSAL SYSTEMS, OR ACCESS OR LACK OF ACCESS TO ANY PUBLIC SEWER SYSTEMS;
- vii. THE EXTENSIONS OF PULBIC 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 PROPERTY;
- viii. LOT SIZE AND EXACT LOCATION;
- ix. AIRPORT OR AIRCRAFT NOISE, PLANNED LAND USE, ROADS OR HIGHWAYS;
- x. THE VALUE, NATURE, QUALITY OR CONDITION OF THE SOIL AND GEOLOGY; THE EXISTENCE OF SOIL INSTABILITY, PAST SOIL REPAIRS, SUFFICIENCY OR UNDER SHORING, SUFFICIENCY OF DRAINAGE, OR ANY OTHER MATIER AFFECTING THE STABILITY OR INTEGRITY OF THE LAND OR ANY BUILDINGS OR IMPROVEMENTS SITUATED THEREON;
- xi. THE INCOME TO BE DERIVED FROM THE PROPERTY, AND THE EXPENSES OF OWNING AND OR LEASING AND OR OPERATING THE PROPERTY;
- xii. THE SUITABILITY OF THE PROPERTY FOR ANY AND ALL ACTIVITIES AND USES WHICH THE SUCCESSFUL BIDDER MAY CONDUCT THEREFROM;
- xiii. THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY;
- xiv. THE EXISTENCE OF ANY VIEW FROM THE PROPERTY OR THAT ANY EXISTING VIEW WILL NOT BE OBSTRUCTED IN THE FUTURE;
- xv. THE COMPLIANCE OF OR BY THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, INCLUDING WITHOUT LIMITATION, THE "AMERICANS WITH DISABILITIES ACT" OR WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING SOLID WASTE (AS DEFINED BY THE U.S. ENVIRONME NTAL

PROTECTION AGENCY REGULATIONS AT 40 C.F.R. PART 261), OR THE DISPOSAL OR EXISTENCE IN OR ON THE PROPERTY OF ANY HAZARDOUS SUBSTANCE (AS DEFINED BY THE COMPREHENSIVE ENVIRONMENTAL RESPONSE COMPENSATION AND LIABILITY ACT OF 1980 AS AMENDED, AND REGULATIONS PROMULGATED THEREUNDER); OR  
xvi. ANY OTHER MATTER WITH RESPECT TO THE PROPERTY.

B. THE SALE IS SUBJECT TO MARYLAND LEAD PAINT DISCLOSURE AND NOTICE STATEMENT ATTACHED HERETO AND INCORPORATED AS A PART HEREOF.

C. SALE IS SUBJECT TO MARYLAND RESIDENTIAL DISCLAIMER NOTICE PURSUANT TO MARYLAND ANNOTATED CODE, REAL PROPERTY ARTICLE, SECTION 10-702, A COPY OF WHICH IS ATTACHED HERETO AND INCORPORATED BY REFERENCE HERIN.

D. ALL BIDDERS, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY (WHETHER OR NOT ACCESS HAS BEEN RESTRICTED BY SELLER AND/OR TENANTS), SHALL RELY SOLELY ON THEIR OWN DUE DILIGENCE OF THE PROPERTY AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY OWNER OR ATLANTIC. ANY INFORMATION PROVIDED OR TO BE PROVIDED BY OR ON BEHALF OF OWNER OR ATLANTIC WITH RESPECT TO THE PROPERTY INCLUDING, WITHOUT LIMITATION, ALL INFORMATION CONTAINED IN ANY PROPERTY INFORMATION PACKAGE MADE AVAILABLE BY OWNER OR ATLANTIC AS OBTAINED FROM A VARIETY OF SOURCES, BUT NEITHER OWNER NOR ATLANTIC HAVE MADE ANY INDEPENDENT INVESTIGATIONS OR VERIFICATION OF SUCH INFORMATION AND MAKE NO REPRESENTATION AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION, AND BIDDERS ARE NOT ENTITLED TO RELY UPON SUCH INFORMATION FOR ANY PURPOSE.

E. THE SUCCESSFUL BIDDER SHALL BE DEEMED TO HAVE FULLY AND IRREVOCABLY RELEASED OWNER AND ATLANTIC, AND THEIR RESPECTIVE EMPLOYEES, OFFICERS, DIRECTORS, REPRESENTATIVES AND AGENTS, FROM ANY AND ALL CLAIMS THAT SUCH BIDDER MAY HAVE OR ACQUIRE AGAINST OWNER AND/OR ATLANTIC, OR THEIR EMPLOYEES, OFFICERS, DIRECTORS, AGENTS OR REPRESENTATIVES, FOR ANY COST, LOSS, LIABILITY, DAMAGE, EXPENSE, DEMAND, ACTION OR CAUSE OF ACTION ARISING FROM OR RELATED TO ANY CONSTRUCTION DEFECTS, ERRORS, OMISSIONS OR OTHER CONDITIONS, INCLUDING WITHOUT LIMITATION ENVIRONMENTAL MATTERS, AFFECTING THE PROPERTY OR ANY PORTION THEREOF. THIS RELEASE INCLUDES CLAIMS OF WHICH THE SUCCESSFUL BIDDER IS AT THE TIME OF AUCTION UNAWARE OR WHICH THE SUCCESSFUL BIDDER DOES NOT SUSPECT TO EXIST WHICH, IF KNOWN, WOULD MATERIALLY AFFECT THIS RELEASE. IT IS UNDERSTOOD AND AGREED THAT THE PURCHASE PRICE HAS BEEN AGREED UPON TO REFLECT THAT THE PROPERTY IS SOLD SUBJECT TO THE FOREGOING.

F. THIS PROPERTY MAY HAVE APPEARED ON MARYLAND MULTIPLE LISTING, AND IN THE EVENT OF ANY DISCREPANCY BETWEEN THE TERMS SET FORTH IN SAID LISTING AND THIS AGREEMENT, THIS AGREEMENT SHALL CONTROL.

Atlantic Auctions, Inc.

**EXHIBIT B-1**

**MARYLAND LEAD PAINT DISCLOSURE AND NOTICE STATEMENT**

(Use with contracts for the sale of property constructed prior to 1979)

RE: \_\_\_\_\_  
(Property Address)

**DISCLOSURE**

Seller represents that the above described Property may contain lead paint such that said Property may be subject to the Maryland Lead Poisoning Prevention Program Act contained in the Maryland Code, Environment Article, Sections - 6-801et seq. (1996 Repl. Vol) (the "Maryland Lead Act").

1. If Seller has had the subject property inspected pursuant to the Maryland Lead Act, and such inspection revealed conditions which require remedial actions, (i.e., risk reduction obligations), Seller represents as follows:

Seller to check applicable statement(s):

Seller has the following outstanding risk reduction obligations:

\_\_\_\_\_

Seller will complete the outstanding risk reduction obligations prior to settlement.

Seller will not complete the outstanding risk reduction obligations prior to settlement.

In the event that none of the foregoing boxes have been checked, this shall constitute Seller's representation that either: (1) the subject property has not been inspected pursuant to the Maryland Lead Act; or (2) if the subject property has been inspected pursuant to the Maryland Lead Act, either inspection did not result in the imposition of any risk reduction obligations or all risk reduction obligations have been completed.

All outstanding obligations not completed by Seller will become Buyer's responsibility after settlement if the property remains rental property or is converted to rental property.

**NOTICE**

In the event that Buyer intends to occupy the Property, but converts the Property to rental use in the future, Buyer is advised that Buyer must register the property with the Maryland Department of the Environment within 30 days following conversion of the Property to rental Property and will therefore be subject to all requirements of the Maryland Lead Act at the time of such conversion.

1. In the event the Property is currently rented and will continue to be rented, Buyer is advised that Buyer must register the Property with the Maryland Department of the Environment within 30 days of settlement and will be subject to all requirements of the Maryland Lead Act at the time of settlement.

\_\_\_\_\_  
Seller Date  
Printed Name: \_\_\_\_\_

\_\_\_\_\_  
Seller Date  
Printed Name: \_\_\_\_\_

By signing below, Buyer acknowledges receipt of the within Disclosure and Notice Statement prior to ratification of a Contract for the purchase of the subject property.

\_\_\_\_\_  
Buyer Date  
Printed Name: \_\_\_\_\_

\_\_\_\_\_  
Buyer Date  
Printed Name: \_\_\_\_\_

Atlantic Auctions, Inc.  
**EXHIBIT B-2**

**MARYLAND RESIDENTIAL PROPERTY DISCLOSURE AND DISCLAIMER STATEMENT**

Property Address: \_\_\_\_\_  
Legal Description: \_\_\_\_\_  
\_\_\_\_\_

NOTICE TO SELLER AND PURCHASER

Section 10-702 of the Real Property Article, *Annotated Code of Maryland*, requires the owner of certain residential real property to furnish to the purchaser either (a) a RESIDENTIAL PROPERTY DISCLAIMER STATEMENT stating that the owner is selling the property "as is" and makes no representations or warranties as to the condition of the property or any improvements on the real property, except as otherwise provided in the contract of sale, or in a listing of latent defects; or (b) a RESIDENTIAL PROPERTY DISCLOSURE STATEMENT disclosing defects or other information about the condition of the real property actually known by the owner. Certain transfers of residential property are excluded from this requirement (see the exemptions listed below).

10-702. EXEMPTIONS. The following are specifically excluded from the provisions of §10-702:

1. The initial sale of single family residential real property:
  - A. that has never been occupied; or
  - B. for which a certificate of occupancy has been issued within 1 year before the seller and buyer enter into a contract of sale;
2. A transfer that is exempt from the transfer tax under §13-207 of the Tax-Property Article, except land installment contracts of sales under §13-207(a) (11) of the Tax-Property Article and options to purchase real property under §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 use other than residential use or to be demolished; or
7. A sale of unimproved real property.

Section 10-702 also requires the owner to disclose information about latent defects in the property that the owner has actual knowledge of. The owner must provide this information even if selling the property "as is." "Latent defects" are defined as: Material defects in real property or an improvement to real property that:

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

**MARYLAND RESIDENTIAL PROPERTY DISCLOSURE STATEMENT**

NOTICE TO OWNERS: Complete and sign this statement only if you elect to disclose defects, including latent defects, or other information about the condition of the property actually known by you; otherwise, sign the Residential Property Disclaimer Statement. You may wish to obtain professional advice or inspections of the property; however, you are not required to undertake or provide any independent investigation or inspection of the property in order to make the disclosure set forth below. The disclosure is based on your personal knowledge of the condition of the property at the time of the signing of this statement.

NOTICE TO PURCHASERS: The information provided is the representation of the Owners and is based upon the actual knowledge of Owners as of the date noted. Disclosure by the Owners is not a substitute for an inspection by an independent home inspection company, and you may wish to obtain such an inspection. The information contained in this statement is not a warranty by the Owners as to the condition of the property of which the Owners have no knowledge or other conditions of which the Owners have no actual knowledge.

How long have you owned the property? \_\_\_\_\_

**Property System: Water, Sewage, Heating & Air Conditioning (Answer all that apply)**

Water Supply             Public             Well             Other \_\_\_\_\_

Sewage Disposal         Public             Septic System approved for \_\_\_\_\_ (# bedrooms)

**Other Type** \_\_\_\_\_

Garbage Disposal       Yes             No

Dishwasher             Yes             No

Heating                 Oil     Natural Gas     Electric     Heat Pump Age \_\_\_\_  Other \_\_\_\_\_

Air Conditioning         Oil     Natural Gas     Electric     Heat Pump Age \_\_\_\_  Other \_\_\_\_\_

Hot Water               Oil     Natural Gas     Electric Capacity \_\_\_\_\_ Age \_\_\_\_  Other \_\_\_\_\_

**Please indicate your actual knowledge with respect to the following:**

1. Foundation: Any settlement or other problems?             Yes             No             Unknown

Comments: \_\_\_\_\_

2. Basement: Any leaks or evidence of moisture?     Yes     No     Unknown     Does Not Apply

Comments: \_\_\_\_\_

3. Roof: Any leaks or evidence of moisture?             Yes             No             Unknown

Type of Roof: \_\_\_\_\_ Age \_\_\_\_\_

Comments: \_\_\_\_\_

Is there any existing fire-retardant treated plywood?             Yes     No             Unknown

Comments: \_\_\_\_\_

4. Other Structural Systems, including exterior walls and floors:

Comments: \_\_\_\_\_

Any defects (structural or otherwise)?             Yes             No             Unknown

Comments: \_\_\_\_\_

5. Plumbing system: Is the system in operating condition?             Yes     No             Unknown

Comments: \_\_\_\_\_

6. Heating Systems: Is heat supplied to all finished rooms?  Yes  No  Unknown

Comments: \_\_\_\_\_

Is the system in operating condition?  Yes  No  Unknown

Comments: \_\_\_\_\_

7. Air Conditioning System: Is cooling supplied to all finished rooms?  Yes  No  Unknown  Does Not Apply

Comments: \_\_\_\_\_

Is the system in operating condition?  Yes  No  Unknown  Does Not Apply

Comments: \_\_\_\_\_

8. Electric Systems: Are there any problems with electrical fuses, circuit breakers, outlets or wiring?

Yes  No.  Unknown

Comments: \_\_\_\_\_

**8A. Will the smoke alarms provide an alarm in the event of a power outage?  Yes  No**

**Are the smoke alarms over 10 years old?  Yes  No**

**If the smoke alarms are battery operated, are they sealed, tamper resistant units incorporating a silence/hush button, which use long-life batteries as required in all Maryland Homes by 2018?  Yes  No**

**Comments:** \_\_\_\_\_

9. Septic Systems: Is the septic system functioning properly?  Yes  No  Unknown  Does Not Apply

When was the system last pumped? Date \_\_\_\_\_  Unknown

Comments: \_\_\_\_\_

10. Water Supply: Any problem with water supply?  Yes  No  Unknown

Comments: \_\_\_\_\_

Home water treatment system:  Yes  No  Unknown

Comments: \_\_\_\_\_

Fire sprinkler system:  Yes  No  Unknown  Does Not Apply

Comments: \_\_\_\_\_

Are the systems in operating condition?  Yes  No  Unknown

Comments: \_\_\_\_\_

11. Insulation:

In exterior walls?  Yes  No  Unknown

In ceiling/attic?  Yes  No  Unknown

In any other areas?  Yes  No Where? \_\_\_\_\_

Comments: \_\_\_\_\_

12. Exterior Drainage: Does water stand on the property for more than 24 hours after a heavy rain?

Yes  No  Unknown

Comments: \_\_\_\_\_

Are gutters and downspouts in good repair?  Yes  No  Unknown

Comments: \_\_\_\_\_

13. Wood-destroying insects: Any infestation and/or prior damage?  Yes  No  Unknown

Comments: \_\_\_\_\_

Any treatments or repairs?  Yes  No  Unknown

Any warranties?  Yes  No  Unknown

Comments: \_\_\_\_\_

14. Are there any hazardous or regulated materials (including, but not limited to, licensed landfills, asbestos, radon gas, lead-based paint, underground storage tanks, or other contamination) on the property?

Yes  No  Unknown

If yes, specify below

Comments: \_\_\_\_\_

15. If the property relies on the combustion of a fossil fuel for heat, ventilation, hot water, or clothes dryer operation, is a carbon monoxide alarm installed in the property?

Yes  No  Unknown

Comments: \_\_\_\_\_

16. Are there any zoning violations, nonconforming uses, violation of building restrictions or setback requirements or any recorded or unrecorded easement, except for utilities, on or affecting the property?

Yes  No  Unknown

If yes, specify below

Comments: \_\_\_\_\_

**16A. If you or a contractor have made improvements to the property, were the required permits pulled from the county or local permitting office?**  Yes  No  Does Not Apply  Unknown

Comments: \_\_\_\_\_

17. Is the property located in a flood zone, conservation area, wetland area, Chesapeake Bay critical area or Designated Historic District?  Yes  No  Unknown If yes, specify below

Comments: \_\_\_\_\_

18. Is the property subject to any restriction imposed by a Home Owners Association or any other type of community association?  Yes  No

Unknown If yes, specify below

Comments: \_\_\_\_\_

19. Are there any other material defects, including latent defects, affecting the physical condition of the property?

- Yes
- No
- Unknown

Comments: \_\_\_\_\_

NOTE: Owner(s) may wish to disclose the condition of other buildings on the property on a separate Residential Property Disclosure Statement as set forth below.

The owner(s) acknowledge having carefully examined this statement, including any comments, and verify that it is complete and accurate as of the date signed. The owner(s) further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

Owner \_\_\_\_\_ Date \_\_\_\_\_

Owner \_\_\_\_\_ Date \_\_\_\_\_

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

Purchaser \_\_\_\_\_ Date \_\_\_\_\_

Purchaser \_\_\_\_\_ Date \_\_\_\_\_

**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 \_\_\_\_\_ Date \_\_\_\_\_

Owner \_\_\_\_\_ 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 \_\_\_\_\_ Date \_\_\_\_\_

Purchaser \_\_\_\_\_ Date \_\_\_\_\_