

**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 - 6-801 et 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: Steven Wilson

\_\_\_\_\_  
 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?~~

~~o Yes                      o No                      o 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 \_\_\_\_\_