



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

The Contract of Sale dated _____, Address 10603 Trotters Trail
City Potomac, State MD Zip 20854 Lot: 4
Block/Square: D Unit: _____ Section: _____ Tax ID # 161000907728
Parking Space(s) # _____ Storage Unit(s) # _____ Subdivision/Project: _____
between Seller John L Pusecker and
Buyer _____ is hereby amended by
the incorporation of this Addendum, which shall supersede any provisions to the contrary in the Contract.

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

1. Master Plan Disclosures. A or B required; use A unless property is in the City of Rockville corporate limits.

A. Montgomery County

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

By signing this Addendum, Buyer acknowledges the following:

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

Buyer

Buyer

-OR-

B. City Of Rockville

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

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

Buyer

Buyer

2. Transfer and Recordation Taxes. Section 14-104 of the Real Property Article of the Annotated Code of Maryland provides that, unless otherwise negotiated in the contract or provided by state or local law, the cost of any recordation tax or any state or local transfer tax shall be shared equally between the buyer and seller. Transfer and recordation taxes shall be paid by: _____

First-Time Maryland Homebuyer Transfer and Recordation Tax Addendum Attached: ☐ Yes ☐ No

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3. **Private Well and Septic.** If the property is on well and/or septic system, the ☐ Buyer, at Buyer's expense, OR ☐ Seller, at Seller's expense will:
- A. Provide the Buyer on or before Settlement with a certificate, dated not more than 30 days prior to Settlement, from a private water testing laboratory certified by the Maryland Department of Health and Mental Hygiene that the well water is potable.
 - B. Provide the Buyer on or before Settlement with a report, dated not more than 30 days prior to Settlement, from a private company, which has proof of having attended a course for septic testing approved by the Maryland Department of Environment, that the septic system is not malfunctioning, is functioning satisfactorily, or is in operating condition.
 - C. If either system does not meet the requirements of A or B above, the Seller, at Seller's expense, will take appropriate remedial action to rectify the deficiency and provide the Buyer with above required documents outlined in A and B on or before Settlement.
4. **Notices.** All notices under the contract shall be in writing. Notices to the Seller shall be effective when delivered to the Seller or an Agent of the Seller named in the contract (including a Dual Agent or an Intra-Company Agent assigned to the Seller, as applicable, or alternatively, to the Agent's Supervising Manager.) Notices to the Buyer shall be effective when delivered to the Buyer or an Agent of the Buyer named in the contract (including a Dual Agent or an Intra-Company Agent assigned to the Buyer, as applicable, or alternatively, to the Agent's Supervising Manager). "Purchaser" means "Buyer" and vice versa. "Delivery" means hand carried, sent by overnight delivery service, sent by wired or electronic medium which produces a tangible record of the transmission (such as telegram, mailgram, telecopier or "Fax", email which includes an attachment with an actual copy of the executed instruments being transmitted, or U.S. Postal mailing.) In the event of overnight delivery service, Delivery will be deemed to have been made on the next business Day following the sending, unless earlier receipt is acknowledged in writing. In the event of U.S. Postal mailing, Delivery will be deemed to have been made on the third business Day following the mailing, unless earlier receipt is acknowledged in writing. The provisions of this paragraph regarding delivery of notices shall also be applicable to delivery of resale packages for condominiums, cooperatives and/or homeowners associations as may be required in a separate addendum.
5. **Cooperative/Condominium Association Approval.** If this sale is subject to the approval or right of first refusal of the Council of Unit Owners or Board of Directors of the Cooperative/Condominium, then Seller agrees to immediately present this Contract to such Council or Board for their action or consideration. In the event this sale is disallowed by the appropriate Cooperative/Condominium authority, this Contract shall be null and void, and Buyer's deposit shall be refunded when an "Agreement of Release" is signed or in accordance with the provisions of the Contract.
6. **Foreign Investment Taxes-FIRPTA.** Section 1445 of the United States Internal Revenue Code of 1986 provides that a Buyer of a residential real property located in the United States must withhold federal income taxes from the payment of the purchase price if (a) the purchase price exceeds Three Hundred Thousand Dollars (\$300,000.00) or the purchase price is less than or equal to Three Hundred Thousand Dollars (\$300,000.00) and the property will not be owner occupied, and (b) Seller is a foreign person for purposes of U.S. income taxation. A foreign person includes, but is not limited to, a non-resident alien, foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined by the Internal Revenue Code and applicable regulations). Seller represents that Seller is not a foreign person and agrees to execute an affidavit to this effect at the time of Settlement.
7. **Void Contract.** If this Contract becomes void, all principals will immediately execute a release directing that the Deposit be refunded in full to the Buyer according to the terms of the DEPOSIT paragraph. Except with respect to disbursement of the deposit at Settlement hereunder, the deposit and accrued interest, if any, shall be given or returned by escrow agent to any of the principals to this transaction only when an "Agreement of Release" has been ratified by all principals, as directed by a court order, or pursuant to Section 17-505(b), Business Occupations and Professions Article, Annotated Code of Maryland. If either Buyer or Seller refuses to execute a release of the deposit when requested to do so in writing and a court finds that that party should have executed same, that party shall be required to pay, in addition to any damages, all expenses, including reasonable attorney's fees, incurred by the adverse party in the litigation.

8. General Provisions.

- A. If not previously paid, the party making Settlement is hereby irrevocably authorized and directed to deduct and pay the brokerage fee(s) or compensation to the broker(s) from the proceeds of sale in accordance with a separate listing contract or agency representation agreement and with the multiple listing service offer of compensation to cooperating agents and Buyer brokers as of the "Date of Offer."
- B. In the event Settlement shall fail to occur within the time herein set forth, the broker(s) shall still be entitled to brokerage fee(s) referenced above.
- C. The Buyer acknowledges that Buyer has worked with no other agent on this property other than the agent(s) named herein.
- D. In the event of forfeiture or default, Broker shall receive as compensation for services, an amount specified in accordance with the appropriate brokerage agreement.
- E. The principals to the Contract mutually agree that the provisions hereof shall survive the execution and delivery of the deed herein and shall not be merged herein.

9. Definitions.

- A. Days: "Day" or "Days" means calendar days unless otherwise specified.
- B. Business Days: "Business Days", whenever used, means Monday through Friday, excluding federal holidays.
- C. Computation of Time Periods: For the purpose of computing time periods, the first Day will be the Day following Delivery, and the time period will end at 9 p.m. on the Day specified.
- D. Date of Ratification: This Contract shall be deemed ratified when the contract, all addenda and any modifications thereto have been signed and initialed, where required by all parties, and Delivered to the other party pursuant to the Notices paragraph.

<p>THE FOLLOWING PARAGRAPHS (10-13) APPLY ONLY TO THE MAR CONTRACT:</p>
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10. Performance.

Settlement is to be conducted by the office of the attorney or the title company examining the title.

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

11. Financing and Financing Application - THE PROVISIONS OF THIS PARAGRAPH SUPERCEDE THE FINANCING AND FINANCING APPLICATION AND COMMITMENT PARAGRAPHS OF THE MAR CONTRACT.

- A. **Financing Application.** If this Contract is contingent on financing, Buyer will make written application for the Specified Financing and any lender required property insurance no later than 7 days after the Date of Ratification. Buyer grants permission for the Selling Company and the lender to disclose to the Listing Company and the Seller general information available about the progress of the loan application and loan approval process. If Buyer fails to settle except due to any Default by Seller, then the provisions of the Default paragraph shall apply.
- B. **Seller Subsidy.** Based on the financing terms specified in this Contract, Seller will pay at Settlement \$ _____ toward Buyer's charges, (including but not limited to loan origination fees, discount fees, buy down or subsidy fees, prepaids or other charges as allowed by the lender). Buyer will pay all remaining Buyer's charges. If applicable, Buyer will pay at Settlement or finance any initial private mortgage insurance required by lender. It is Buyer's responsibility to confirm with his lender, if applicable, that the entire credit provided herein may be utilized. If lender prohibits Seller from the payment of any portion of this credit, then said credit shall be reduced to the amount allowed by the lender.

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C. Appraisal (Must Select Option 1 or 2)

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

OR

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

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

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

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

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

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

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

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

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

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

- A.** Failure to lock-in the interest rate(s) and the rate(s) increase so that Buyer does not qualify for such financing; OR
- B.** Failure to comply with the lender's reasonable requirements in a timely and diligent manner; OR
- C.** Application is made with an alternative lender (one other than the lender who provided Lender's Letter) and the alternative lender fails to meet the Settlement Date; OR

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D. Does not have the down payment, closing fees and any other required funds, including without limitation, any additional funds required to be tendered by Buyer if the Appraisal is lower than the Sales Price, provided the Contract is not contingent on an Appraisal or the Appraisal Contingency has been removed; OR

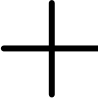
E. Makes any deliberate misrepresentations, material omissions or inaccuracies in financial information that results in the Buyer's inability to secure the financing; OR

F. Failure to make application for property insurance, if required, by lender within 7 days of Date of Ratification; OR

G. Does or fails to do any act following the Date of Ratification that prevents Buyer from completing Settlement.

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

OR

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

12. Settlement Entity. Buyer hereby authorizes the undersigned agent to order the examination of title and the preparation of all necessary conveyance documents through _____.

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

THE FOLLOWING PARAGRAPHS (14-23) APPLY ONLY TO THE REGIONAL CONTRACT:

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

15. Additional Default Provisions. Paragraph 26D of the Regional Contract is hereby replaced with the following: Buyer will be in Default even if the Financing Contingency has not been removed if Settlement does not occur on the Settlement Date for any reason other than Default by Seller, if Buyer does not have the down payment, closing fees and any other required funds, including without limitation, any additional funds required to be tendered by Buyer if the Appraisal is lower than the Sales Price, provided the Contract is not contingent on an Appraisal or the Appraisal Contingency has been removed.

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16. **Seller Responsibility.** Seller agrees to keep existing mortgages free of default until Settlement. All violations of requirements noted or issued by any governmental authority, or actions in any court on account thereof, against or affecting the Property at the date of Settlement of this Contract, shall be complied with by the Seller and the Property conveyed free thereof.
17. **Single Family Residential Real Property Disclosure Notice.** Maryland buyers are advised of the right to receive a Disclosure and Disclaimer Statement from seller unless exempt (Section 10-702 Real Property Article, Annotated Code of Maryland).
18. **Wetlands Notice.** The Buyer is advised that if all or a portion of the Property being purchased is wetlands, the approval of the U.S. Army Corps of Engineers will be necessary before a building permit can be issued for the Property. Additionally, the future use of existing dwellings may be restricted due to wetlands. The Corps has adopted a broad definition of wetlands, which encompasses a large portion of the Chesapeake Bay Region. Other portions of the State may also be considered wetlands. For information as to whether the Property includes wetlands, Buyer may contact the Baltimore District of the U.S. Army Corps of Engineers. Buyer may also elect, at Buyer's expense, to engage the services of a qualified specialist to inspect the Property for the presence of wetlands prior to submitting a written offer to purchase the Property, or Buyer may include in Buyer's written offer, subject to the Seller's acceptance, a clause making Buyer's purchase of the Property contingent upon a satisfactory wetlands inspection.
19. **Guaranty Fund. Notice To Buyer.** The Buyer is protected by the real estate Guaranty Fund of the Maryland Real Estate Commission for losses covered by Section 17-404 of the Business Occupations and Professions Article of the Maryland Code of Annotated in an amount not exceeding \$25,000 for any claim.
20. **Home And/Or Environmental Inspection.** Buyer acknowledges, subject to Seller acceptance, that Buyer is afforded the opportunity, at Buyer's sole cost and expense, to condition Buyer's purchase of the Property upon a Home Inspection and/or Environmental Inspection in order to ascertain the physical condition of the Property or the existence of environmental hazards. If Buyer desires a Home Inspection and/or Environmental Inspection contingency, such contingency must be included in an Addendum to this Contract at the time it is signed by Buyer. Buyer acknowledges that neither the brokers and/or their agents nor subagents are responsible for property defects.
- Addenda Attached _____ Inspections Declined _____
Buyer's Initials Buyer's Initials
21. **Critical Areas Addendum.** Buyer is advised that all or a portion of the property may be located in the "Critical Area" of the Chesapeake and Atlantic Coastal Bays, and that additional zoning, land use, and resource protection regulations apply in this area. The "Critical Area" generally consists of all land and water areas within 1,000 feet beyond the landward boundaries of state or private wetlands, the Chesapeake Bay, the Atlantic Coastal Bays, and all their tidal tributaries. The "Critical Area" also includes the waters of and lands under the Chesapeake Bay, the Atlantic Coastal Bays and all of their tidal tributaries to the head of the tide. For information as to whether the property is located within the Critical Area, Buyer may contact the local Department of Planning and Zoning, which maintains maps showing the extent of the Critical Area in the jurisdiction. Allegany, Carroll, Frederick, Garrett, Howard, Montgomery and Washington Counties do not include land located in the Critical Area.
22. **Notice To The Parties.** Brokers, their agents, subagents and employees do not assume any responsibility for the condition of the Property or for the performance of the Contract by any or all parties hereto. By signing this Contract, Buyer and Seller acknowledge that they have not relied on any representations made by the brokers, or any agents, subagents or employees of the brokers, except those representations expressly set forth in this Contract. Further, the brokers, their agents, subagents and employees, make no representations nor assume any responsibility with respect to the following:
- A. Condition of real or personal property.
 - B. Water quality, color or taste or operating conditions of private water systems.
 - C. Location, size or operating condition of private septic systems.

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

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

☐ A non interest-bearing account.

OR

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

Seller _____ Date _____
John L. Pusecker

Buyer _____ Date _____

Seller _____ Date _____

Buyer _____ Date _____

.....
10603 Trotters Trail
Potomac, MD 20854

Seller's address _____

Buyer's address _____

Seller's address _____

Buyer's address _____

Seller's telephone number _____

Buyer's telephone number _____

Seller's facsimile number _____

Buyer's facsimile number _____

Seller's email address _____

Buyer's email address _____

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