AJ BILLIG
REAL ESTATE • AUCTIONEERS

# CONTRACT OF SALE

Baltimore City, Maryland, _____ DRAFT _____

**I, _____ DRAFT _____ ("Purchaser") have this day purchased at Public Auction for the price of _____ DRAFT _____ (the "Purchase Price") (Purchase Price includes a 6% Buyer's Premium), the leasehold property known as 1753 Montpelier Street, Baltimore City, Maryland 21218 (the "Property"), Subject to an Annual $96 Ground Rent, From _____ DRAFT _____ ("Seller"), of which a deposit of _____ DRAFT _____ (the "Deposit") has been paid.**

In consideration of the mutual promises and agreements set forth in this Contract of Sale and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Purchaser and Seller agree as follows:

Auctioneer shall hold the Deposit in Auctioneer's auction escrow account pursuant to the terms of this Contract of Sale. The balance of the Purchase Price shall be paid in cash at settlement, which shall take place within 45 days from the date of this Contract of Sale (the "Closing"). The Deposit shall be non-refundable to Purchaser except as expressly provided in this Contract of Sale. If payment of the Deposit or balance of the Purchase Price does not take place within the specified time, the Deposit shall be forfeited and the Property may be resold at the risk and expense of the Purchaser. Interest shall be charged on any portion of the unpaid Purchase Price, at the rate of 12% per annum from the date of this Contract of Sale to the Closing. If applicable law requires a lower rate of interest, such lower rate shall be used. If the Seller is unable to convey good and marketable leasehold title, Purchaser's sole remedy under this Contract of Sale or in law or equity shall be limited to the refund of the Deposit, and Purchaser hereby waives any and all other remedies. Upon refund of the Deposit to Purchaser the sale of the Property from Seller to Purchaser shall be null and void and of no effect, and Purchaser shall have no claim against the Seller. Other than a claim for a release of the Deposit actually held by Auctioneer (which claim shall terminate upon the release by Auctioneer of the Deposit pursuant to this Contract of Sale), neither Seller or Purchaser shall have any claim whatsoever against Auctioneer and Seller and Purchaser waive any such claims and agree to jointly indemnify and hold Auctioneer harmless from any such claims. In the event of any dispute regarding the Deposit, Auctioneer shall be entitled to interplead such Deposit with a court of competent jurisdiction and thereafter shall be released from all liability for such Deposit under this Contract of Sale.

Purchaser acknowledges that except as expressly stated in this Contract of Sale, there are no contingencies to Purchaser's obligation to purchase the Property pursuant to this Contract of Sale, including without limitation any financing contingency. The Seller makes no representations or warranties as to the condition of the Property or any improvements thereon and Purchaser acknowledges and agrees to purchase the Property in its "AS IS/WHERE IS" "WITH ALL FAULTS" condition and basis, subject to all easements, agreements, restrictions or covenants of record, zoning, and all laws, regulations, and governmental rules affecting same. The Property will be sold subject to housing and/or violation notices, if any, and subject to DHCD violation notices. Purchaser waives the right of inspection for lead paint, as provided under current Federal and State law. Purchaser assumes the risk of loss from and after the date of this Contract of Sale. All adjustments, including taxes, ground rent, all other public charges and assessments payable on a monthly or annual basis, and sanitary and/or metropolitan district charges, if any, shall be adjusted for the current year to the date of this Contract of Sale and assumed thereafter by the Purchaser. Recordation costs, transfer taxes and all costs incidental to settlement to be paid by Purchaser except where otherwise required by local, State or Federal law.

This Contract of Sale shall be governed by and construed under the laws of the State of Maryland, without regard to its conflict of laws provisions. This Contract of Sale shall be binding upon each party hereto and such party's heirs, legal representatives, successors and assigns and shall inure to the benefit of each party hereto and such party's heirs, legal representatives, successors and assigns. If any party to this Contract of Sale is made up of more than one person, then all such persons shall be included jointly and severally, even though the defined term for such party is used in the singular in this Contract of Sale. This Contract of Sale shall be construed without regard to any presumption or other rule requiring construction against the party causing this Contract of Sale to be drafted. Time is of the essence for all matters under this Contract of Sale.

This Contract of Sale may be executed in one or more counterparts, including by facsimile and email, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

If this property is subject to a ground rent, and this ground rent is not timely paid, the effect may be that the reversionary owner of the ground rent may bring an action of ejectment against the ground tenant under Section 8-402©; and, as a result of the ejectment action, the reversionary owner of the ground rent may own the property in fee, discharged from the lease.

Note: If any real property is transferred after January 1 and before the beginning of the next taxable year to a new owner, the new owner may submit a written appeal as to a value or classification on or before 60 days after the date of the transfer.

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PROPERTY DISCLAIMER STATEMENT: Except for latent defects of which the Seller(s) has actual knowledge, the Seller(s) makes no representations or warranties as to the condition of the real property or any improvements on the real property; and the Purchaser(s) will be receiving the real property "AS IS", with all defects, including latent defects, that may exist, except as otherwise provided in the Contract of Sale of the property. The Purchaser(s) and Seller(s) acknowledge having carefully examined this statement and further acknowledge that they have been informed of their rights and obligations under Section 10-702 of the Maryland Real Property Article.

NOTICES AND DISCLAIMERS: Purchaser acknowledges that Federal, State, or local law may provide for certain notices and disclaimers with respect to the purchase of the Property. Due to the purchase of the Property at auction, except for the notices and disclaimers contained in this Contract of Sale, Purchaser hereby waives any and all requirements to include such notices and disclaimers in this Contract of Sale and releases, indemnifies, and holds Seller and Auctioneer harmless from making or including any such notices and disclaimers with respect to the Property. Purchaser shall solely be responsible for ensuring that it has satisfied itself with respect to the condition of the Property including, without limitation, any notice or disclosure that is required by applicable law. Purchaser hereby acknowledges that Purchaser is not relying on any notice or disclosure by Seller or Auctioneer, or the lack of any such notice or disclosure, with respect to the purchase of the Property. By purchasing the Property, Purchaser shall be deemed to have knowledge of any notice or disclosure required by applicable law.

## NOTICE REQUIRED BY MARYLAND LAW REGARDING YOUR GROUND RENT

The Property is subject to a ground lease. The annual payment on the ground lease ("ground rent") is Ninety-Six Dollars ($96), payable in half-yearly installments on the 1st days of June and December in each and every year The next ground rent payment is due on the following due date (unknown), in the amount of (unknown).

The payment of the ground rent should be sent to:
Name Unknown
Address Unknown
Phone Unknown

**NOTE REGARDING YOUR RIGHTS AND RESPONSIBILITIES UNDER MARYLAND LAW:**
As the owner of this property, you are obligated to pay the ground rent to the ground lease holder. It is also your responsibility to notify the ground lease holder if you change your address or transfer ownership of the property.

If you fail to pay the ground rent on time, you are still responsible for paying the ground rent. In addition, the ground lease holder may take action to collect the past due ground rent, which may result ultimately in your loss of the property. Please note that under Maryland law, a ground lease holder may demand not more than 3 years of past due ground rent. If you fail to pay the ground rent on time, you should contact a lawyer for advice.

As the owner of this property, you are entitled to redeem, or purchase, the ground lease from the ground lease holder and obtain absolute ownership of the property. The redemption amount is fixed by law but may also be negotiated with the ground lease holder for a different amount. For information on redeeming the ground lease, contact the ground lease holder. If the identity of the ground lease holder is unknown, the State Department of Assessments and Taxation provides a process to redeem the ground lease that may result in your obtaining absolute ownership of the property. If you would like to obtain absolute ownership of this property, you should contact a lawyer for advice.

The preceding notice is required by law. The parties are advised that some ground rents may not be redeemable. All other terms and conditions of the Contract of Sale remain in full force and effect.

WITNESS:
as to signatures and receipt of deposit

DRAFT
_____
A. J. Billig & Co., Auctioneers

Signed: _____DRAFT_____(Seal)
Purchaser

_____DRAFT_____(Seal)
Seller

# DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS FOR HOUSING SALES

**Addendum Number 1 to Contract of Sale (the "Contract") dated** _____

**Buyer(s):** _____

**Seller(s):** _____

**Property:** _____

DRAFT

**Lead Warning Statement:**

*Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.*

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**Seller's Disclosure** (initial)

____ (a) Presence of lead-based paint or lead-based paint hazards (check one below):

___ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain). _____

_____

__X__ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

____ (b) Records and reports available to the seller (check one below):

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

_____

_____

__X__ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Seller is ___ or is not __X__ obligated to complete the modified risk reduction treatment required under the Maryland Program because seller has received written notice of a defect or of the fact that a pregnant woman or child under the age of six, who resides or spends at least 24 hours per week at the Property, has an elevated blood lead level greater than or equal to 15 micrograms per deciliter (gmug/dl) of blood **(attach copies of notices.)**

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**Purchaser's Acknowledgment** (initial)

____ (c) Purchaser has received copies of all information listed above.

____ (d) Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home.*

____ (e) Purchaser has (check one below):

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

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

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**Agent's Acknowledgment** (initial)

____ (f) Agent has informed the seller of the seller's obligations under 42 U.S.C. 4582(d) and is aware of his/her responsibility to ensure compliance.

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**Certification of Accuracy**

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

DRAFT

_____ Seller Date

_____ Seller Date

_____ Agent Date

DRAFT

_____ Purchaser Date

_____ Purchaser Date