

MARYLAND RESIDENTIAL PROPERTY DISCLOSURE AND DISCLAIMER STATEMENT

Property Address: 14924 Chelsea Cir, Mount Airy, MD 21771

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 "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? 14 years

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

Water Supply: [] Public, [x] Well, [] Other
Sewage Disposal: [] Public, [x] Septic System approved for (# bedrooms)
Garbage Disposal: [] Yes, [x] No
Dishwasher: [x] Yes, [] No
Heating: [x] Oil, [] Natural Gas, [x] Electric, [x] Heat Pump Age
Air Conditioning: [] Oil, [] Natural Gas, [x] Electric, [x] Heat Pump Age
Hot Water: [] Oil, [] Natural Gas, [x] Electric Capacity, [] 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: _____
 Will the smoke detectors provide an alarm in the event of a power outage? Yes No Does Not Apply
 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: WILL PUMP BEFORE CALL
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 Unknown
 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: _____

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

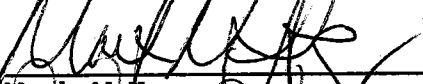
Comments: _____


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.

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 7/30/11
Mark M. Krueger

Owner  Date 7/30/11
Karen J. Krueger

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 _____



INCLUSIONS/EXCLUSIONS AND UTILITIES ADDENDUM TO EXCLUSIVE RIGHT TO SELL RESIDENTIAL BROKERAGE AGREEMENT

For the sole purpose of assisting the agent in preparing an offer and is not to be part of the Contract of Sale

ADDENDUM # _____ dated _____ to Exclusive Right to Sell Brokerage Agreement dated July 30, 2011, between Owner(s) Mark M Krueger, Karen J Krueger and Broker ReMax Realty Group Bonnie Winkler 14924 Chelsea Cir for Property known as Mount Airy, MD 21771

INCLUSIONS/EXCLUSIONS: Owner intends for these items marked below to be included in the sale of the property unless otherwise negotiated:

- | | | | |
|---|---|--|---|
| INCLUDED | INCLUDED | INCLUDED | INCLUDED |
| <input type="checkbox"/> Alarm System | <input checked="" type="checkbox"/> Exhaust Fan(s) # _____ | <input type="checkbox"/> Pool, Equip. & Cover | <input type="checkbox"/> Trash Compactor |
| <input checked="" type="checkbox"/> Built-in Microwave | <input checked="" type="checkbox"/> Exist. W/W Carpet | <input checked="" type="checkbox"/> Refrigerator(s) # <u>4</u> | <input checked="" type="checkbox"/> Wall Oven(s) # <u>1</u> |
| <input checked="" type="checkbox"/> Ceiling Fan(s) # <u>9</u> | <input checked="" type="checkbox"/> Fireplace Screen/Doors | <input type="checkbox"/> w/ice maker | <input checked="" type="checkbox"/> Water Filter |
| <input type="checkbox"/> Central Vacuum | <input type="checkbox"/> Freezer | <input type="checkbox"/> Satellite Dish | <input checked="" type="checkbox"/> Water Softener <i>mk</i> |
| <input type="checkbox"/> Clothes Dryer | <input checked="" type="checkbox"/> Furnace Humidifier | <input checked="" type="checkbox"/> Screens | <input type="checkbox"/> Window A/C Unit(s) # _____ |
| <input type="checkbox"/> Clothes Washer | <input checked="" type="checkbox"/> Garage Opener(s) # <u>1</u> | <input checked="" type="checkbox"/> Shades/Blinds | <input type="checkbox"/> Window Fan(s) # _____ |
| <input checked="" type="checkbox"/> Cooktop | <input type="checkbox"/> w/remote(s) # <u>1</u> | <input checked="" type="checkbox"/> Storage Shed(s) # <u>2</u> | <input type="checkbox"/> Wood Stove |
| <input checked="" type="checkbox"/> Dishwasher | <input type="checkbox"/> Garbage Disposer | <input type="checkbox"/> Storm Doors | |
| <input type="checkbox"/> Drapery/Curtain Rods | <input type="checkbox"/> Hot Tub, Equip. & Cover | <input type="checkbox"/> Storm Windows | |
| <input type="checkbox"/> Draperies/Curtains | <input type="checkbox"/> Intercom | <input checked="" type="checkbox"/> Stove or Range | |
| <input type="checkbox"/> Electronic Air Filter | <input type="checkbox"/> Playground Equipment | <input checked="" type="checkbox"/> T.V. Antenna | |

ADDITIONAL INCLUSIONS (Specify): Grill

EXCLUSIONS (Specify): some speakers excluded

UTILITIES: WATER, SEWAGE, HEATING AND CENTRAL AIR CONDITIONING: (Check all that apply)

- Water Supply: Public Well
Sewage Disposal: Public Septic
Heating: Oil Gas Elec. Heat Pump Other _____
Hot Water: Oil Gas Elec. Other _____
Air Conditioning: Gas Elec. Other _____

Mark M Krueger
Owner _____ Date
Mark M Krueger

Karen J Krueger
Owner _____ Date
Karen J Krueger 7/30/11

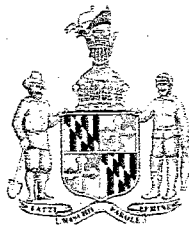
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SCHEDULE "A"

COMMON DRIVEWAY EASEMENT

Grantees herein, their personal representatives and assigns, shall be subject to and together with the use in common with the owners of Lot 26, Section I, TALBOT RUN ESTATES, their personal representatives and assigns, of a Common Driveway Easement as set forth for ingress, egress and regress for the placement of utilities for the lot hereby conveyed and the said Lot 26. The owners of Lot 25 and Lot 26, their respective personal representatives and assigns, shall equally share the cost of maintaining a driveway with a macadam surface in the easement area from Chelsea Circle to the point where the entrance of Lot 25 leaves the aforesaid easement, the remainder thereof to be maintained at the sole expense of the owner of Lot 26, their personal representatives and assigns. The expense of any improvements to the macadam surfaced driveway shall be by mutual consent of the owners of Lot 25 and Lot 26, their respective personal representatives and assigns, however, nothing shall preclude the owners of any lot from improving the driveway at their sole expense, provided, the use thereof by the other lot owners after improvement is not inhibited, and further provided that the improvements so made shall be completed within a reasonable time period.



STATE OF MARYLAND
REAL ESTATE COMMISSION

Consent For Dual Agency

(In this form, the word "seller" includes "landlord"; "buyer" includes "tenant"; and "purchase" or "sale" includes "lease")

When Dual Agency May Occur

The possibility of Dual Agency arises when:

- 1) The buyer is interested in a property listed by a real estate broker; and
- 2) The seller's agent and the buyer's agent are affiliated with the same real estate broker.

Important Considerations Before Making a Decision About Dual Agency

A broker acting as a dual agent does not exclusively represent either the seller or buyer; there may be a conflict of interest because the interests of the seller and buyer may be different or adverse. As a dual agent, the real estate broker does not owe undivided loyalty to either the seller or buyer.

Before the buyer and seller can proceed to be represented by a broker acting as a dual agent, they must both sign Consent for Dual Agency. If the buyer has previously signed Consent for Dual Agency, the buyer must **affirm** the buyer's consent for the purchase of a particular property before an offer to purchase is presented to the seller. If the seller has previously signed Consent for Dual Agency, the seller must **affirm** the seller's consent for the sale of the property to a particular buyer before accepting an offer to purchase the property. The **affirmation** is contained on Page 2 of this form.

Your Choices Concerning Dual Agency

In a possible dual agency situation, the buyer and seller have the following options:

1. **Consent in writing to dual agency.** If all parties consent in writing, the real estate broker or the broker's designee (the "dual agent") will assign one real estate agent affiliated with the broker to represent the seller (the seller's "intra-company agent") and another agent affiliated with the broker to represent the buyer (the buyer's "intra-company agent"). Intra-company agents may provide the same services to their clients as an exclusive seller's or buyer's agent, including advising their clients as to price and negotiation strategy.
2. **Refuse to consent to dual agency.** If either party refuses to consent in writing to dual agency, the real estate broker must terminate the brokerage relationship for that particular property with the buyer, the seller, or both. If the seller's agreement is terminated, the seller must then either represent him or herself or arrange to be represented by another real estate company. If the buyer's agreement is terminated, the buyer may choose not to be represented by an agent of his or her own but simply to receive assistance from the seller's agent, from another agent in that company, or from a cooperating agent from another company. Alternatively, the buyer may choose to enter into a written buyer agency agreement with a different company.

Duties of a Dual Agent and Intra-Company Agent

Like other agents, unless the client gives consent to disclose the information, dual agents and intra-company agents must keep confidential information about a client's bargaining position or motivations. For example, without written consent of the client, a dual agent or intra-company agent may not disclose to the other party, or the other party's agent:

- 1) Anything the client asks to be kept confidential; *
- 2) That the seller would accept a lower price or other terms;
- 3) That the buyer would accept a higher price or other terms;
- 4) The reasons why a party wants to sell or buy, or that a party needs to sell or buy quickly; or
- 5) Anything that relates to the negotiating strategy of a party.

* Dual agents and intra-company agents must disclose material facts about a property to all parties.

How Dual Agents Are Paid

Only the broker receives compensation on the sale of a property listed by that broker.

If a financial bonus is offered to an agent who sells property that is listed with his/her broker, this fact must be disclosed in writing to both the buyer and seller.

Consent for Dual Agency

I have read the above information, and I understand the terms of the dual agency. I understand that I do not have to consent to a dual agency and that if I **refuse** to consent, there will not be a dual agency; and that I may withdraw the consent at any time upon notice to the dual agent. I hereby **consent** to have

Re/Max Realty Group

(Firm Name)

act as a Dual Agent for me as the

Seller in the sale of the property at: 14924 Chelsea Cir, Mount Airy, MD 21771

Buyer in the purchase of a property listed for sale with the above-referenced broker.

Signature

Date

Signature

Date

AFFIRMATION OF PRIOR CONSENT TO DUAL AGENCY

- The undersigned **Buyer(s)** hereby affirm(s) consent to dual agency for the following property:

14924 Chelsea Cir, Mount Airy, MD 21771

Property

Signature

Date

Signature

Date

- The undersigned **Seller(s)** hereby affirm(s) consent to dual agency for the Buyer(s) identified below:

Name(s) of Buyer(s)

Signature

Date

Signature

Date

Mark M Krueger

Karen J Krueger