



Addendum of Clauses—B

(For use with GCAAR Sales Contract and MAR Residential Contract of Sale)

The Contract of Sale dated _____ between _____
 _____ (Buyer) and _____
 _____ (Seller) for the purchase of the real property located at
 Address _____ Unit # _____
 City _____ State _____ Zip Code _____, Parking Space(s) # _____
 Storage Unit # _____ with the legal description of Lot _____ Block/Square _____
 Section _____ Subdivision/Project Name _____
 Tax Account # _____ is hereby amended by the incorporation of this Addendum, which shall supersede any
 any provisions to the contrary in this Contract.

It is agreed that only the numbered paragraphs which are checked and initialed by all parties shall be made a part of said Contract.



1. SALE OF BUYER'S PROPERTY CONTINGENCY WITH KICK-OUT: The Contract is contingent until 6 p.m. on the
 _____ Day after the Date of Ratification ("Deadline") upon the sale of Buyer's property located at
 _____ ("Buyer's Property"). If
 Buyer does not satisfy or remove this contingency by the Deadline pursuant to paragraph 1C below, then at any time after the Deadline, but
 prior to Buyer satisfying or removing this contingency, either Seller or Buyer may declare the Contract void by providing Notice to the other
 party.

A. Seller may continue to offer the Property for sale and accept bona fide back-up offers to the Contract. If during the term of this
 contingency, a back-up offer is accepted, Seller will Deliver Notice to Buyer requiring that this contingency be satisfied or removed
 pursuant to paragraph 1C below not later than 6 p.m. on the _____ Day after Delivery of the Notice, or the Contract will
 become void.

B. Buyer's Property will be listed exclusively and actively marketed by a licensed real estate broker and entered into a multiple listing
 service within 3 Days after the Date of Ratification at a price not to exceed \$ _____ .

C. Buyer may:

1) satisfy this contingency by Delivering to Seller a copy of the ratified contract for the sale of Buyer's Property with evidence
 that all contingencies, other than financing, have been removed or waived, together with a letter from an institutional lender stating
 that the financing described in the contract for the sale of Buyer's Property is available to the buyer in that contract and, based upon
 written loan application, a preliminary credit report, and the information provided by that buyer, the financing should be committed
 subject to appropriate verification, approval and commitment, OR

2) remove this contingency by Delivering to Seller Lender's letter stating that the financing is not contingent in any manner upon
 the sale, settlement or lease of any real estate and Buyer has sufficient funds available for the down payment and closing costs
 necessary to complete Settlement; OR

3) evidence of sufficient funds available to complete Settlement without obtaining financing.

D. If Buyer satisfies the requirements of Paragraph 1C (1) above, the Contract will remain contingent upon the settlement of the sale
 of Buyer's Property. Settlement under the Contract may not be delayed more than _____ Days after the Settlement Date (specified
 in the Contract) without the parties' written consent. If a further delay is required to obtain coinciding settlements and the parties do not
 agree, then the Contract will become void. If at any time after the Date of Ratification the contract for the sale of Buyer's Property
 becomes void, Buyer will immediately Deliver Notice to Seller together with evidence of such voiding, at which time either Seller or
 Buyer may declare the Contract void by Delivering Notice to the other party. This paragraph will survive the satisfaction of the
 contingency for the sale of Buyer's Property.

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- ☐ **2. SETTLEMENT OF BUYER'S PROPERTY CONTINGENCY:** Settlement on the Contract is contingent upon the settlement on the contract for the sale of Buyer's Property located at _____ ("Buyer's Property").
- A copy of said contract is attached evidencing that all contingencies, other than financing, have been removed or waived, together with a letter from an institutional lender stating that the financing described in the contract for the sale of Buyer's Property is available to the buyer in that contract and, based upon a written loan application, a preliminary credit report, and the information provided by that buyer, the financing should be committed subject to appropriate verification, approval and commitment. Settlement under the Contract may not be delayed more than _____ Days after the Settlement Date (specified in the Contract) without the parties' written consent. If a further delay is required to obtain coinciding settlements and the parties do not agree, then the Contract will become void. If at any time after the Date of Ratification the contract for the sale of Buyer's Property becomes void, Buyer will immediately Deliver Notice to Seller together with evidence of such voiding, at which time either Seller or Buyer may declare the Contract void by Delivering Notice to the other party.
- ☐ **3. BACK-UP CONTRACT OR OFFER:** This Contract is first backup to another contract or offer dated _____ between Seller and _____ as the buyer. The Contract shall become the primary contract immediately upon Delivery of Notice from Seller that the other contract or offer is void along with a copy of the fully executed Release. Buyer may void this back-up contract at any time prior to its becoming primary by Delivering Notice to Seller. If the contract dated _____ settles, this back-up contract will become void. The rights and obligations of the parties under the primary contract are superior to the rights and obligations of the parties to this back-up contract. All timeframes contained in this Contract shall not commence until the date this Contract becomes primary. Additionally, the date for Settlement will be _____ days after the date this Contract becomes primary.
- ☐ **4. CONTINGENT ON SELLER PURCHASING ANOTHER HOME:** The Contract is contingent until 6 p.m. on the _____ Day after the Date of Ratification ("Deadline") to allow Seller to purchase another home. This contingency will terminate at the Deadline and this Contract will be in full force and effect unless, prior to the Deadline, Seller Delivers Notice to Buyer removing this contingency or declaring this Contract void.
- ☐ **5. LEAD-BASED PAINT INSPECTION CONTINGENCY:** The Contract is contingent until 6 p.m. on the _____ Day after the Date of Ratification (**must be 10 days or such other period as shall be mutually agreeable to Buyer and Seller**) ("Deadline") to allow Buyer, at Buyer's discretion and expense, to have a risk assessment or inspection of the interior and exterior of the Property for the presence of lead paint and/or lead-based paint hazards ("Inspection"). Such Inspection shall be performed by an individual certified by the Maryland Department of the Environment ("MDE"), for Maryland properties, or the DC Department of Energy and Environment (DOEE), for DC Properties, to conduct such assessment or inspection ("Certified Inspector"). This contingency will terminate at the Deadline unless by the Deadline, Buyer Delivers to Seller a copy of the risk assessment report or inspection report which reveals conditions for which the Certified Inspector recommends corrective action together with either **A** or **B**.
- A.** Lead-Based Paint Testing Notice (GCAAR Form "Lead-Based Paint Testing Notice and/or Addendum/Release") identifying specific lead-based paint hazards and requiring Seller at Seller's expense prior to Settlement to perform requisite corrective action to abate such lead-based paint hazards, or stipulating a dollar credit, as allowed by Lender, to be paid at Settlement by Seller towards Buyer's charges to buy the Property ("Lead-Based Paint Notice"). In the event Seller agrees to have the corrective action performed, Seller shall furnish, not later than the date of Settlement, a written certification by a Certified Inspector demonstrating that the specified conditions have been remedied.
- If Seller elects not to perform in accordance with the Lead-Based Paint Notice or makes another offer, Seller will Deliver Notice to Buyer of such decision within 3 Days after Delivery of the Lead-Based Paint Notice.
- Within 3 Days after Delivery of a Notice from one party, the other party may:
- 1) Deliver Notice accepting the terms contained in the other party's Notice; OR
 - 2) Deliver Notice continuing negotiations by making another offer; OR
 - 3) Deliver Notice that the Contract will become void at 6 p.m. on the 3rd Day following Delivery, unless the recipient Delivers to the other party Notice of the acceptance of the last Delivered offer prior to that date and time, in which case this Contract will remain in full force and effect. Seller may not exercise this option as the first response to Buyer.
- Failure of either party to respond within 3 Days after Delivery of a Notice from the other party will result in acceptance by both parties of the terms of the most recent Notice.
- B.** Notice declaring this Contract void.
- ☐ **6. PRE-SETTLEMENT OCCUPANCY ADDENDUM:** The parties agree that Buyer shall occupy the property prior to Settlement commencing on the _____ day of _____ at the rate of \$ _____ per day. Seller and Buyer acknowledge that they have read and executed, or will execute prior to occupancy, the GCAAR Pre-Settlement Occupancy Addendum and agree to be bound by its terms and provisions.
- ☐ **7. THIRD PARTY APPROVAL: NOT FOR USE WITH SHORT SALES.** The Contract is contingent upon the approval of _____ by 6 p.m. on the _____ Day after the Date of Ratification ("Deadline"). If Notice of disapproval is not Delivered to the other party by the Deadline, this contingency will terminate and the Contract will remain in full force and effect. No Notice of approval is required. If Notice of disapproval is Delivered by the Deadline, the Contract will become void.

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☐ **8. BROKERAGE FEE PAID BY BUYER:** It is understood and agreed by all parties that (company name) _____, is acting as an agent solely representing Buyer in this transaction ("Buyer's Broker"). Seller has no obligation to Buyer's Broker, and does not owe a brokerage fee or other consideration of any nature to said Buyer's Broker. The Settlement Agent is directed to collect funds from the Buyer at Settlement, and to disburse said fee, as per the separate Buyer's Broker Agreement between Buyer's Broker and Buyer. This Buyer's Broker's fee is separate and apart from any brokerage fee owed to the Seller's Listing Broker pursuant to the agency paragraph of the contract. The parties acknowledge that said Buyer's Broker relationship was disclosed to Seller and/or Seller's agent prior to showing the property to Buyer.

☐ **9. MASTER PLAN REVIEW FOR MONTGOMERY COUNTY PROPERTIES:** (Except City of Rockville) Notwithstanding any provisions to the contrary, the Contract is contingent until 6:00 P.M. on the _____ Day after the Date of Ratification ("Deadline"), to allow Buyer the opportunity to review the applicable County Master Plan and the municipal land use plan for the area in which the Property is located as well as any amendment to either plan and any approved official map showing planned uses, roads and highways, parks and other public facilities affecting the property ("Master Plan"). In the event Buyer is dissatisfied with anything contained in the applicable Master Plan or municipal land use plan, in Buyer's sole discretion, Buyer shall Deliver Notice of disapproval to Seller on or before the Deadline specified in this paragraph, in which event the Contract shall be void. If such Notice is not Delivered by the Deadline, this contingency shall automatically expire and the Contract will remain in full force and effect. (This clause may not be used for property within the corporate limits of the City of Rockville.)

☐ **10. POST SETTLEMENT AIR CONDITIONING AND/OR SWIMMING POOL INSPECTION CONTINGENCY:** These provisions shall apply to the following system(s) (the "System") (check appropriate system(s)): ☐ the **Air Conditioning System**; and/or ☐ the **Swimming Pool System** (defined as the swimming pool and related equipment, including the structural integrity of the swimming pool).

Buyer and Seller agree that the System will convey in normal working order ("Required Condition"). Due to weather conditions, the System located at the Property cannot be adequately tested to ensure that it is in the Required Condition. Buyer and Seller agree that Buyer shall, at his expense, make an inspection of the System at the earliest practicable date, consistent with the weather conditions, but in no event later than May 31 following ratification (the "Final Inspection Date"). Seller's agreement that the System will convey in the Required Condition is hereby extended through the date of the inspection of the System, but in no event later than the Final Inspection Date.

Buyer shall give Notice to Seller of the date and time on which the inspection is to be made, and Seller shall have the option of being present or represented at said inspection. The inspection shall be conducted by a heating and air conditioning technician, or pool service company, as appropriate, licensed in the jurisdiction in which the Property is located. **Buyer agrees not to attempt to operate the System prior to the scheduled date for the inspection. In the event Buyer attempts to operate the System prior to said inspection, then any warranty hereunder, express or implied, by Seller, shall be deemed to be null and void.**

In the event that the aforesaid inspection shows the System to be in the Required Condition, then Seller's obligations hereunder with respect to the System shall be deemed fulfilled. In the event that the aforesaid inspection shows the System not to be in the Required Condition, Buyer shall provide Notice of same to Seller no later than the Final Inspection Date, in which event Seller shall be responsible for the actual cost necessary to place the System in the Required Condition. All remedial action taken hereunder shall be performed in a good and workmanlike manner by a heating and air conditioning contractor or pool service company, as appropriate, selected by Seller who is licensed in the jurisdiction in which the Property is located, and shall be completed within 10 days after Buyer's Notice to Seller ("Seller's Timeframe"). Buyer shall make the Property available at reasonable times for the completion of such work. In the event that the System is not in the Required Condition by the expiration of Seller's Timeframe, Buyer shall be irrevocably authorized to have the required remedial action performed by a contractor meeting the aforesaid qualifications. Upon completion of the remedial action, but no later than 10 days following the expiration of Seller's Timeframe ("Buyer's Timeframe"), Buyer shall provide a Notice to Seller including a copy of the contractor's invoice and instructions as to whether the amount shown in said invoice shall be paid directly to said contractor or to Buyer as a reimbursement for covered expenses. Upon receipt of said Notice, Seller shall immediately make payment as instructed in the Notice.

In the event that any Notice required to be given in this Addendum is not given within the timeframe specified, then Seller's obligations hereunder with respect to the System shall be deemed fulfilled.

☐ **11. 1031 EXCHANGE:** Parties wishing to participate in a tax deferred exchange under Section 1031 of the Internal Revenue Code ("Exchange") are advised to consult an exchange professional.

☐ **Buyer** may elect to treat this purchase as part of an Exchange. Seller agrees to cooperate with Buyer in the execution of documents necessary to facilitate the Exchange provided Seller incurs no additional liability, cost or expense. Seller grants permission to assign this Contract to an exchange intermediary.

☐ **Seller** may elect to treat this sale as part of an Exchange. Buyer agrees to cooperate with Seller in the execution of documents necessary to facilitate the Exchange provided Buyer incurs no additional liability, cost or expense. Buyer grants permission to assign this Contract to an exchange intermediary.



12. ADDITIONAL PROVISIONS:



All other terms of this Contract remain in full force and effect.

PARTIES ACKNOWLEDGE THEY HAVE BEEN AFFORDED THE OPPORTUNITY TO REVIEW AND INCORPORATE THE ADDITIONAL PROVISIONS CONTAINED IN ADDENDUM OF CLAUSES-A AND HAVE AGREED TO INCORPORATE ONLY THOSE PROVISIONS ATTACHED HERETO.

_____ Seller	_____ Date	_____ Buyer	_____ Date
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_____ Seller	_____ Date	_____ Buyer	_____ Date
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