



Addendum of Clauses—A

(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
 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. SELLER'S CREDIT(S) TO BUYER:** In addition to any other amount(s) the Seller has agreed to pay under other provisions of this Contract, Seller shall credit the Buyer at the time of Settlement with the sum of \$ _____ towards Buyer's settlement costs. It is Buyer's responsibility to confirm with Lender, if applicable, that the entire credit provided for herein may be utilized. If Lender prohibits Seller from payment of any portion of this credit, then said credit shall be reduced to the amount allowed by Lender.
- ☐ **2. INSPECTION CONTINGENCY:** The Contract is contingent until 6 p.m. on the _____ Day after the Date of Ratification ("Deadline") for inspections of the Property, not including radon, lead-based paint, well or septic inspections (*which require separate contingencies*), by Buyer, a home inspection firm and/or other representative(s) at Buyer's discretion and expense. Seller will have all utilities in service at the time of inspection(s).

Select option(s) A, B OR BOTH below. Failure to select either A or B below will result in BOTH being selected.

- ☐ **A. RIGHT TO NEGOTIATE:** This right will terminate at the Deadline unless by the Deadline Buyer Delivers to Seller a copy of the report(s) from the inspection(s) of the Property together with a Home Inspection Notice (*such as GCAAR Form 1344: Inspection Notice and/or Addendum*) listing home inspection conditions or items that Buyer requires Seller to repair, and/or stipulating a dollar credit, as allowed by Lender, to be paid at Settlement by Seller toward Buyer's charges to buy the Property. Upon such Delivery, **2.B**, if selected below, shall **NO LONGER** be an option.

If the Seller elects not to perform in accordance with the Home Inspection Notice or makes another offer, Seller will Deliver Notice to Buyer of such decision within 3 Days after Delivery of the Home Inspection 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 this 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 the 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 Notice from the other party will result in acceptance by both parties of the terms of the most recent Notice.

- ☐ **B. RIGHT TO CANCEL:** This right will terminate at the Deadline unless by the Deadline Buyer Delivers to Seller a Notice declaring the Contract void.

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☐ 3. **ADDITIONAL "AS-IS" PROVISIONS:** All clauses in this Contract pertaining to termites and wood-destroying insects, private well and/or private sewage systems, and compliance with city, state or county regulations are hereby deleted from this Contract. Smoke detectors will be installed as required by the laws or regulations of the appropriate jurisdictions. The provisions of the Property Maintenance and Condition Paragraph will remain in full force and effect.

☐ 4. **RADON INSPECTION CONTINGENCY:** This Contract is contingent until 6 p.m. on the _____ Day after the Date of Ratification ("Deadline") to allow Buyer, at Buyer's discretion and expense, to have the Property inspected for the presence of radon by a testing firm listed with the National Radon Safety Board ("NRSB") or the National Environmental Health Association ("NEHA") using a U.S. Environmental Protection Agency ("EPA") approved testing method. Testing and retesting devices, if applicable, to be placed and retrieved by an NRSB or NEHA-listed technician or their authorized subcontractor. This contingency will terminate at the Deadline unless by the Deadline, Buyer Delivers to Seller a copy of the radon testing report which confirms the presence of radon that equals or exceeds the action level established by the EPA together with either A or B:

A. Radon Testing Notice (GCAAR Form "Radon Testing Notice and/or Addendum/Release") requiring Seller at Seller's expense prior to Settlement to remediate the radon condition; or stipulating a dollar credit, as allowed by the Lender, to be paid at Settlement by Seller towards Buyer's charges to buy the Property. In the event that Seller agrees to remediate the radon condition, such work shall be performed by a NRSB or NEHA-listed remediation firm who will provide written verification that the required remediation has been performed, including test results demonstrating that the presence of radon is below the action level established by EPA.

If Seller elects not to perform in accordance with the Radon Testing Notice or makes another offer, Seller will Deliver Notice to Buyer of such decision within 3 Days after Delivery of the Radon Testing Notice.

Within 3 Days after Delivery of 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 this 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 the 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 the Contract void.

☐ 5. **APPRAISAL CONTINGENCY: NOT TO BE USED WITH FHA OR VA FINANCING. IF THE CONTRACT IS CONTINGENT UPON FINANCING AND SUCH FINANCING IS DECLINED BASED UPON THE APPRAISAL, THE BUYER WILL NOT BE IN DEFAULT, EVEN IF THIS APPRAISAL CONTINGENCY HAS BEEN REMOVED.**

The Contract is contingent until 6:00 p.m. on the _____ day after the Date of Ratification ("Deadline") for Buyer to obtain a written appraised valuation of the Property ("Appraisal") certifying the value of the Property to be no less than the Sales Price (check with your Lender, if applicable, to confirm that the Appraisal will be completed by the Deadline). If Buyer is obtaining financing, Lender shall select the appraiser. If this is a cash sale, Buyer shall select the appraiser. The appraiser shall be licensed to perform Appraisals in the jurisdiction in which the Property is located. Seller shall make the Property available for inspection by such appraiser.

In the event that the Appraisal is lower than the Sales Price, Buyer has the option of proceeding with the Contract at the stated Sales Price without regard to the Appraisal. However, should Buyer decline to proceed with the Contract at the stated Sales Price (due to the Appraisal being lower than the stated Sales Price), Buyer shall Deliver to Seller, by the Deadline, a Notice (GCAAR Form "Appraisal Notices and/or Addendum"), requesting that the Sales Price be reduced to a specified lower amount of not less than the appraised value, together with a copy of the written Appraisal ("Buyer's Appraisal Notice"). This Contingency will terminate at the Deadline, unless by the Deadline Buyer Delivers to Seller Buyer's Appraisal Notice.

All Notices Delivered under this Appraisal Contingency shall be treated as follows:

Within 3 Days after Delivery of a Notice from one party, the other party may:

- A. Deliver Notice accepting the terms contained in the other party's Notice: OR
- B. Deliver Notice continuing negotiations by making another offer; OR
- C. Deliver Notice that this Contract will become void at 6:00 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.

FAILURE OF EITHER PARTY TO RESPOND WITHIN 3 DAYS AFTER NOTICE DELIVERY WILL RESULT IN THE CONTRACT BECOMING VOID.

☐ **6. HOLDING DEPOSIT CHECK** **WARNING: THIS CLAUSE MAY NOT BE USED FOR A MARYLAND TRANSACTION WHEN A REAL ESTATE BROKER IS THE ESCROW AGENT.** It is understood and agreed by all parties that the Buyer has instructed the Escrow Agent to hold and not deposit the above described deposit check until _____ Days after Ratification at which time said check shall be deposited.

☐ **7. PRIVATE WELL AND SEPTIC:** If the property is on well and/or septic system, ☐ Buyer, at Buyer's expense, OR ☐ Seller, at Seller's expense will:
A. Provide 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. If Buyer is obtaining FHA or VA financing, chemical and lead tests will be required.
B. Provide Buyer on or before Settlement with a report, dated not more than 30 days prior to Settlement, from a private company, which has followed the Maryland Department of Environment standardized procedure for the inspection of the septic system(s), 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, Seller, at Seller's expense, will take appropriate remedial action to rectify the deficiency and provide Buyer with above required documents outlined in A and B on or before Settlement.

☐ **8. POST-SETTLEMENT OCCUPANCY ADDENDUM:** The parties agree that the Seller shall occupy the property for a period of _____ days beginning at Settlement at the rate of \$ _____ per day. Seller shall pay a security deposit of \$ _____ at Settlement. Seller and Buyer acknowledge that they have read and executed, or will execute at Settlement, the GCAAR Post-Settlement Occupancy Addendum and agree to be bound by its terms and provisions. In the event that this is a Maryland transaction and any mortgage on the property is 60 days or more in default, Seller has the right to rescind the Contract within 5 days of all parties signing a Statement of Tenancy (GCAAR Form "Statement About Tenancy").

☐ **9. LICENSEE RELATIONSHIP DISCLOSURE:** The parties acknowledge that _____ is a licensed real estate agent in _____ (MD/DC/VA) associated with _____ (Company) and is the ☐ Buyer ☐ Seller or is ☐ related to one of the parties hereto in the following way: _____ and may share in the Broker's Fee.

☐ **10. ADDITIONAL PROVISIONS:**

All other terms of the 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-B AND HAVE AGREED TO INCORPORATE ONLY THOSE PROVISIONS ATTACHED HERETO.

Seller Date Buyer Date

Seller Date Buyer Date

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