



# Unimproved Real Property Sales Contract

(For Use in Montgomery County and Washington, DC - Attach appropriate jurisdictional addendum)

This SALES CONTRACT ("Contract") is made on \_\_\_\_\_ ("Contract Date") between \_\_\_\_\_ ("Buyer") and \_\_\_\_\_ ("Seller") who, among other things, hereby confirm and acknowledge by their initials and signatures herein that by prior disclosure in this real estate transaction \_\_\_\_\_ ("Listing Company") represents Seller, and \_\_\_\_\_ ("Selling Company") represents

Buyer or  Seller. The Listing Company and Selling Company are collectively referred to as ("Broker"). (If the brokerage firm is acting as a dual representative for both Seller and Buyer, then the appropriate disclosure form is attached to and made a part of this Contract.) In consideration of the mutual promises and covenants set forth below, and other good and valuable consideration the receipt and sufficiency of which is acknowledged, the parties agree as follows:

**1. REAL PROPERTY:** Buyer will buy and Seller will sell for the sales price ("Sales Price"), Seller's entire interest in the real property (with all improvements, rights and appurtenances) described as follows ("Property"):

TAX Map/ID # \_\_\_\_\_ Legal Description: Lot(s) \_\_\_\_\_ Block/Square \_\_\_\_\_  
Section \_\_\_\_\_ Subdivision \_\_\_\_\_  
County/Municipality \_\_\_\_\_  
Deed Book/Liber # \_\_\_\_\_ Page/Folio # \_\_\_\_\_  
Street Address \_\_\_\_\_  
Unit # \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

**2. PRICE AND FINANCING:**

**A. Down Payment** \$ \_\_\_\_\_

- B. Financing**
- 1. First Trust (if applicable) \$ \_\_\_\_\_
- 2. Second Trust (if applicable) \$ \_\_\_\_\_
- 3. Seller Held Trust \$ \_\_\_\_\_
- Addendum attached (if applicable)

**TOTAL FINANCING** \$ \_\_\_\_\_

**SALES PRICE** \$ \_\_\_\_\_

**3. DEED(S) OF TRUST:**

**A. First Deed of Trust** Buyer will  Obtain or  Assume

a  Conventional  Other \_\_\_\_\_ First Deed of Trust loan amortized over \_\_\_\_\_ years at a  Fixed or an  Adjustable rate bearing (initial) interest of \_\_\_\_\_ % per year or market rate available. Special Terms (if any): \_\_\_\_\_

**B. Second Deed of Trust** Buyer will  Obtain or  Assume

a Second Deed of Trust loan amortized over \_\_\_\_\_ years at a  Fixed or an  Adjustable rate bearing (initial) interest of \_\_\_\_\_ % per year or market rate available. Special Terms (if any): \_\_\_\_\_

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C. **Assumption Only** Assumption fee, if any, and all charges related to the assumption will be paid by the Buyer.

4. **DEPOSIT:**

A. Buyer has delivered a deposit ("Deposit") to \_\_\_\_\_ ("Escrow Agent") of  \$ \_\_\_\_\_ by check and/or  \$ \_\_\_\_\_ by note due and payable on \_\_\_\_\_.

B. The Deposit will be placed in an escrow account of the Escrow Agent after Date of Ratification in conformance with the laws and regulations of the appropriate jurisdiction and/or, if VA financing applies, as required by Title 38 of the U.S. Code. This account may be interest bearing and all parties waive any claim to interest resulting from the Deposit. The Deposit will be held in escrow until: (i) Credited toward the Sales Price at Settlement; (ii) All parties have agreed in writing as to its disposition; (iii) A court of competent jurisdiction orders disbursement and all appeal periods have expired; or, (iv) Disposed of in any other manner authorized by the laws and regulations of the appropriate jurisdiction. Seller and Buyer agree that Escrow Agent will have no liability to any party on account of disbursement of the Deposit or on account of failure to disburse the Deposit, except in the event of the Escrow Agent's gross negligence or willful misconduct.

5. **DOWN PAYMENT:** The balance of the down payment will be paid on or before the Settlement Date by certified or cashier's check or by bank-wired funds. An assignment of funds shall not be used without prior written consent of Seller.

6. **SETTLEMENT:** Seller and Buyer will make full settlement in accordance with the terms of this Contract ("Settlement") on, or with mutual consent before, \_\_\_\_\_, ("Settlement Date") except as otherwise provided in this Contract. Buyer selects: \_\_\_\_\_ ("Settlement Agent") to conduct the Settlement. Either party may retain their own legal counsel. Buyer agrees to contact the Settlement Agent within 10 Days after the Date of Ratification to schedule Settlement and to arrange for ordering the title exam and, if required, a survey.

7. **CONVENTIONAL FINANCING TERMS:**

A. **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.

B. **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 paragraph #20 (Default) shall apply.

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**C. 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.

**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 paragraph #20 (DEFAULT) shall apply.

**8. 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 paragraph #20 (DEFAULT) shall apply.

**9. ALTERNATE FINANCING:** Buyer may substitute alternative financing and/or an alternative lender for Specified Financing provided:

- (a) Buyer is qualified for alternative financing;
- (b) There is no additional expense to Seller; and
- (c) The Settlement Date is not delayed.
- (d) If Buyer fails to settle except due to any Default by Seller, then the provisions of paragraph #20 (DEFAULT) shall apply.

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**10. BUYER'S REPRESENTATIONS:** Unless specified in a written contingency, neither this Contract nor the financing is dependent or contingent on the sale and settlement or lease of other real property. The Selling Company  is, or  is not authorized to disclose to the Listing Company and Seller the appropriate financial or credit information statement provided to the Selling Company by Buyer. Buyer acknowledges that Seller is relying upon all of Buyer's representations, including without limitation, the accuracy of financial or credit information given to Seller, Broker or the lender by Buyer.

**11. ACCESS TO PROPERTY:** Seller will provide the Broker, Buyer, inspectors representing Buyer and representatives of lending institutions for Appraisal purposes, reasonable access to the Property to comply with this Contract. In addition, Buyer and/or Buyer's representative will have the right to make a final inspection within 5 days prior to Settlement, unless otherwise agreed to by Buyer and Seller.

**12. DAMAGE OR LOSS:** The risk of damage or loss to the Property by fire, act of God, or other casualty remains with Seller until the execution and delivery of the deed of conveyance to Buyer at Settlement.

**13. TITLE:** The title report and survey, if required, will be ordered promptly and, if not available on the Settlement Date, then Settlement may be delayed for up to 10 business days to obtain the title report and survey after which this Contract, at the option of Seller, may be terminated and the Deposit will be refunded in full to Buyer according to the terms of the DEPOSIT paragraph. Fee simple title to the Property, and everything that conveys with it, will be sold free of liens except for any loans assumed by Buyer. Title is to be good and marketable, and insurable by a licensed title insurance company with no additional risk premium. Title may be subject to commonly acceptable easements, covenants, conditions and restrictions of record, if any; otherwise, Buyer may declare this Contract void, unless the defects are of such character that they may be remedied within 30 Days beyond the Settlement Date. In case action is required to perfect the title, such action must be taken promptly by Seller at Seller's expense. The Broker is hereby expressly released from all liability for damages by reason of any defect in the title. Seller will convey the Property by general warranty deed with English covenants of title (Virginia); general warranty deed (West Virginia); special warranty deed (D.C. and Maryland) ("Deed"). Seller will sign such affidavits, lien waivers, tax certifications, and other documents as may be required by the lender, title insurance company, Settlement Agent, or government authority, and authorizes the Settlement Agent to obtain pay-off or assumption information from any existing lenders. The manner of taking title may have significant legal and tax consequences. Buyer is advised to seek the appropriate professional advice concerning the manner of taking title. Unless otherwise agreed to in writing, Seller will pay any special assessments and will comply with all orders, requirements, or notices of violations of any county or local authority, condominium unit owners' association, homeowners' or property owners' association or actions in any court on account thereof, against or affecting the Property on the Settlement Date.

**14. POSSESSION:** Unless otherwise agreed to in writing between Seller and Buyer, Seller will give possession of the Property at Settlement, including delivery of keys, if any, and in substantially the same condition as on the Date of Ratification. If Seller fails to do so and occupies the Property beyond Settlement, Seller will be a tenant at sufferance of Buyer and hereby expressly waives all notice to quit as provided by law. Buyer will have the right to proceed by any legal means available to obtain possession of the Property. Seller will pay any damages and costs incurred by Buyer including reasonable attorney fees.

**15. FEES:** Fees for the preparation of the Deed, that portion of the Settlement Agent's fee billed to Seller, costs of releasing existing encumbrances, Seller's legal fees and any other proper charges assessed to Seller will be paid by Seller. Fees for the title exam (except as otherwise provided) survey, recording (including those for any purchase money trusts) and that portion of the Settlement Agent's fee billed to Buyer, Buyer's legal fees and any other proper charges assessed to Buyer will be paid by Buyer. Fees to be charged will be reasonable and customary for the jurisdiction in which the Property is located. (Recording, Transfer and Grantor's Taxes are covered in the appropriate jurisdictional addenda).

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**16. BROKER'S FEE:** Seller irrevocably instructs the Settlement Agent to pay the Broker compensation ("Broker's Fee") at Settlement as set forth in the listing agreement and to disburse the compensation offered by the Listing Company to the Selling Company in writing as of the Contract Date, and the remaining amount of Broker's compensation to the Listing Company.

**17. ADJUSTMENTS:** Rents, taxes, water and sewer charges, front foot benefit and house connection charges, homeowners' and/or property owners' association regular periodic assessments (if any) and any other operating charges, are to be adjusted to the day of Settlement. Taxes, general and special, are to be adjusted according to the certificate of taxes issued by the collector of taxes, if any, except that recorded assessments for improvements completed prior to Settlement, whether assessments have been levied or not, will be paid by Seller or allowance made at Settlement. If a loan is assumed, interest will be adjusted to the Settlement Date and Buyer will reimburse Seller for existing escrow accounts, if any.

**18. ATTORNEY'S FEES:** In any action or proceeding involving a dispute between Buyer and Seller arising out of this Contract, the prevailing party will be entitled to receive from the other party reasonable attorney's fees to be determined by the court or arbitrator(s). In the event a dispute arises resulting in the Broker being made a party to any litigation or if the Broker is required to bring litigation to collect the Broker's Fee, Buyer and Seller agree to indemnify the Broker, its employees, and/or licensees for all attorney fees and costs of litigation against the responsible party, unless the litigation results in a judgment against the Broker, its employees and/or licensees.

**19. PERFORMANCE:** Delivery of the required funds and executed documents to the Settlement Agent will constitute sufficient tender of performance. Funds from this transaction at Settlement may be used to pay off any existing liens and encumbrances, including interest, as required by lender(s) or lienholders.

**20. DEFAULT:** 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
- 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; 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.

If Buyer fails to complete Settlement for any reason other than Default by Seller, at the option of Seller, the Deposit may be forfeited as liquidated damages (not as a penalty) in which event Buyer will be relieved from further liability to Seller. If Seller does not elect to accept the Deposit as liquidated damages, the Deposit may not be the limit of Buyer's liability in the event of a Default. If the Deposit is forfeited, or if there is an award of damages by a court or a compromise agreement between Seller and Buyer, the Broker may accept and Seller agrees to pay the Broker one-half of the Deposit in lieu of the Broker's Fee, (provided Broker's share of any forfeited Deposit will not exceed the amount due under the listing agreement). If Seller fails to perform or comply with any of the terms and conditions of this Contract or fails to complete Settlement for any reason other than Default by Buyer, Buyer will have the right to pursue all legal or equitable remedies, including specific performance and/or damages. If either Seller or Buyer refuses to execute a release of Deposit ("Release") when requested to do so in writing and a court finds that such party should have executed the Release, the party who so refused to execute the Release will pay the expenses, including, without limitation, reasonable attorney's fees, incurred by the other party in the litigation. Seller and Buyer agree that no Escrow Agent will have any liability to any party on account of disbursement of the Deposit or on account of failure to disburse the Deposit, except only in the event of the Escrow Agent's gross negligence or willful misconduct. The parties further agree that the Escrow Agent will not be liable for the failure of any depository in which the Deposit is placed and that Seller and Buyer each will indemnify, defend and save harmless the Escrow Agent from any loss or expense arising out of the holding, disbursement or failure to disburse the Deposit, except in the case of the Escrow Agent's gross negligence or willful misconduct. If either Buyer or Seller is in default, then in addition to all other damages, the defaulting party will immediately pay the costs incurred for the title examination, Appraisal, survey and the Broker's Fee in full.

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**21. OTHER DISCLOSURES:** Buyer and Seller should carefully read this Contract to be sure that the terms accurately express their respective understanding as to their intentions and agreements. The Broker can counsel on real estate matters, but if legal advice is desired by either party, such party is advised to seek legal counsel. Buyer and Seller are further advised to seek appropriate professional advice concerning the condition of the Property or tax and insurance matters. The following provisions of this paragraph disclose some matters which the parties may investigate further. These disclosures are not intended to create a contingency. Any contingency must be specified by adding appropriate terms to this Contract. The parties acknowledge the following disclosures:

**A. PROPERTY CONDITION:** Various inspection services are available. The Broker is not advising the parties as to certain other issues, including without limitation: water quality and quantity (including but not limited to, lead and other contaminants;) sewer or septic; soil condition; flood hazard areas; possible restrictions of the use of the Property due to restrictive covenants, zoning, subdivision, or environmental laws, easements or other documents; airport or aircraft noise; planned land use and roads or highways. Information relating to these issues may be available from appropriate government authorities.

**B. LEGAL REQUIREMENTS:** All contracts for the sale of real property must be in writing to be enforceable. Upon ratification and Delivery, this Contract becomes a legally binding agreement. Any changes to this Contract must be made in writing for such changes to be enforceable.

**C. FINANCING:** Mortgage rates and associated charges vary with financial institutions and the marketplace. Buyer has the opportunity to select the lender and the right to negotiate terms and conditions of the financing subject to the terms of this Contract. The financing may require substantial lump sum (balloon) payments on the due dates. Buyer has not relied upon any representations regarding the future availability of mortgage money or interest rates for the refinancing of any such lump sum payments.

**D. BROKER:** Buyer and Seller acknowledge that the Broker is being retained solely as a real estate agent and not as an attorney, tax advisor, lender, appraiser, surveyor, or other professional service provider. The Broker may from time to time engage in the general insurance, title insurance, mortgage loan, real estate settlement, and other real estate-related businesses and services. Therefore, in addition to the Broker's Fee specified herein, the Broker may receive compensation related to other services provided in the course of this transaction pursuant to the terms of a separate agreement/disclosure.

**E. PROPERTY TAXES:** Your property tax bill could substantially increase following settlement. For more information on property taxes contact the appropriate taxing authority in the jurisdiction where the Property is located.

**22. ASSIGNABILITY:** This Contract may not be assigned without the written consent of Buyer and Seller. If Buyer and Seller agree in writing to an assignment of this Contract, the original parties to this Contract remain obligated hereunder until Settlement.

**23. DEFINITIONS:**

**A.** "Appraisal" means a written appraised valuation of the Property.

**B.** "Day(s)" or "day(s)" means calendar day(s) unless otherwise specified in this Contract. 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. If the Settlement Date falls on a Saturday, Sunday, or legal holiday, then the Settlement will be on the prior business day.

**C.** "Date of Ratification" means the date of final acceptance in writing of all the terms of this Contract (not the date of expiration or removal of any contingencies).

**D.** For "Delivery" and "Notices" definitions, see appropriate Jurisdictional Addendum.

**E.** "Specified Financing" means the loan type(s) and amount(s), if any, specified in both paragraph #2 (PRICE AND FINANCING) and paragraph #3 (DEEDS OF TRUST).

**F.** The masculine includes the feminine and the singular includes the plural.

**G.** "Possession" - See paragraph #14 (POSSESSION).

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**24. MISCELLANEOUS:** This Contract may be signed in one or more counterparts, each of which is deemed to be an original, and all of which together constitute one and the same instrument. Documents obtained via facsimile machines will also be considered as originals. Typewritten or handwritten provisions included in this Contract will control all pre-printed provisions that are in conflict.

**25. VOID CONTRACT:** If this Contract becomes void and of no further force and effect, without Default by either party, both parties will immediately execute a release directing that the Deposit be refunded in full to Buyer according to the terms of the paragraph # 4 (DEPOSIT).

**26. FEASIBILITY STUDY:** This Contract is contingent for a period of \_\_\_\_\_ days from Date of Ratification for Buyer, at Buyer's expense, to ascertain the utility of the property for Buyer's purposes. Seller grants license for Buyer and Buyer's agents to enter Property and undertake the Feasibility Study. Said study may include, but not be limited to investigation of water and sewer (well and septic) availability, wetlands existence, reforestation requirements, environmental and hazardous waste, architectural requirements and covenants, but shall not permit the disturbance of ground. Seller makes no warranties, expressed or implied as to the feasibility of development or use of the property for purposes intended by the Buyer. At anytime prior to the expiration of this provision the Buyer, at its sole discretion and option, may declare this Contract null and void by providing written Notice no later than 9:00 p.m. on the final day of the study period; otherwise this contingency shall automatically expire and the Contract shall remain in full force and effect.

**27. AGRICULTURALLY ASSESSED PROPERTY:** The Property, or any portion thereof, may be subject to an "Agricultural Land Transfer Tax" as imposed by Section 13-301 et seq. of the Tax-Property Article, Annotated Code of Maryland, by reason of the Property's having been assessed on the basis of agricultural use. Agricultural taxes assessed as a result of this transfer shall be paid by \_\_\_\_\_.

**28. FARM CROPS:** Seller and/or tenant shall be allowed to harvest any annual crops that have been planted prior to the Date of Ratification, even though said harvesting time may occur subsequent to the Date of Settlement on this Contract.

**29. PERCOLATION TEST:** ALL PARTIES SHOULD CHECK WITH APPROPRIATE JURISDICTIONAL HEALTH DEPARTMENT ABOUT THE TIMES OF THE YEAR FOR SCHEDULING OF PERCOLATION TEST BEFORE FILLING IN THE BLANKS IN THIS CONTINGENCY. If the Property is intended for any use that requires the disposal of sewage and public sewer is not available the Sale of this Property is contingent upon (check one box):

**SELLER TEST:** The Seller providing the Buyer within \_\_\_\_\_ days from the Date of Ratification written certification from the appropriate jurisdictional health department that the Property is approved for a private sewage disposal system. The Seller will arrange for and pay for any tests required to obtain such certification.

Should Buyer find any certification supplied by Seller unacceptable, Buyer at its sole discretion may declare this contract null and void within \_\_\_\_\_ days of receipt of certification.

In the event Seller fails to provide such certification in the required time, Buyer, by written Notice to Seller may at anytime after expiration of said time period, but before the delivery of the certification to the Buyer, declare this Contract null and void.

**BUYER TEST:** The Buyer shall have \_\_\_\_\_ days from the Date of Ratification, at Buyer's expense to perform percolation tests on the Property. If the results of the percolation tests do not meet the requirements of the appropriate jurisdictional health department for a private sewage disposal system or are deemed unacceptable to Buyer, Buyer may terminate this Contract by giving written Notice to the Seller within the time frame of the contingency; otherwise this contingency shall be deemed satisfied and this Contract shall remain in full force and effect.

Buyer and/or Buyer's contractors shall have the right to grade and remove trees to the extent necessary to facilitate testing, but shall use its best efforts to minimize damage to the Property. All costs associated with the testing shall be borne by the Buyer and the Buyer hereby agrees to indemnify the Seller from any and all claims arising out of percolation testing. This indemnity shall survive settlement or any termination of this Contract.

In the event the Buyer fails to perform the test or notify the Seller within the aforementioned time, Buyer shall be deemed to have waived this contingency.

In the event that this Contract is declared null and void, prior to the returning of the Buyer's deposit, Buyer shall furnish Seller with proof that all contractors and the testing company have been paid in full and the all test hole sites have been sealed in accordance with the regulations of the appropriate jurisdiction.

**30. DRILLING OR PROVIDING A WELL:** If the Property is not served by public water, this Contract is contingent upon the following only if appropriate box is checked:

**SELLER DRILLING OR PROVIDING WELL:** The Seller shall deliver to the Buyer within \_\_\_\_\_ days of Contract Ratification evidence that there is a well on the Property meeting all the requirements of the health departments that have jurisdiction over the Property. If the Seller fails to provide such evidence or chooses not to do so, Buyer may at any time after the expiration of said time period, but before delivery of written evidence of compliance with this paragraph, declare this Contract null and void.

**BUYER DRILLING WELL:** The Buyer has \_\_\_\_\_ days from the Date of Ratification to drill a well.

Buyer and/or Buyer's contractors shall have the right to grade and remove trees to the extent necessary to facilitate the drilling of a well, but shall use its best efforts to minimize damage to the Property. All costs associated with the well drilling shall be borne by the Buyer and the Buyer hereby agrees to indemnify the Seller from any and all claims arising out of the well drilling. This indemnity shall survive settlement or any termination of this Contract.

In the event the Buyer is unable to obtain a water-producing well meeting the requirements of the health departments that have jurisdiction over the Property, Buyer shall so advise Seller in writing with reasonable details of the failure to meet the jurisdictional health department and state requirements within \_\_\_\_\_ days after receipt of the test report. The Seller will have the right for \_\_\_\_\_ days thereafter to correct the conditions causing failure and to deliver a report of a new well test showing that the deficiencies noted in original test have been corrected. If the Seller fails to correct such conditions within said time period, the Buyer may at anytime after expiration of said time period, but before delivery of the written certification of correction of deficiencies, declare this Contract null and void.

In the event that this Contract is declared null and void, prior to the returning of the Buyer's deposit, Buyer shall furnish Seller with proof that all contractors and the well drilling company have been paid in full and the all holes have been sealed in accordance with the regulations of the appropriate jurisdiction.

Should the Buyer fail to drill a well within the time specified above, Buyer shall be deemed to have waived this contingency.

**BUYER MAY BE REIMBURSED FOR COSTS:** If Seller is unable to convey title in accordance with the terms of the Contract without fault of Buyer, Seller shall promptly reimburse Buyer for any costs incurred by Buyer for conducting any Percolation Tests and/or the Drilling of a Well, if either is a contingency in this Contract. Buyer shall furnish Seller with receipts for the actual payment of such costs. Reimbursement liability on the part of the Seller shall not exceed \$ \_\_\_\_\_ .

**31. ADDITIONS:** The following forms, if ratified and attached, are made a part of this Contract. (This list is not all inclusive of addenda that may need to be attached.)

- |                              |                              |                             |  |
|------------------------------|------------------------------|-----------------------------|--|
| <input type="checkbox"/> Yes | Jurisdictional Addendum for: | <input type="checkbox"/> DC | <input type="checkbox"/> Montgomery County   |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No  | Addendum of Clauses (DC/MD) | <input type="checkbox"/> Yes <input type="checkbox"/> No Designated Agency Form      |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No  | REA Addendum                | <input type="checkbox"/> Yes <input type="checkbox"/> No Well and Septic Contingency |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No  | Dual Agency Form            |  |
| <input type="checkbox"/> Yes | <input type="checkbox"/> No  | Other (specify): _____      |  |

**32. OTHER TERMS:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**33. ENTIRE AGREEMENT:** This Contract will be binding upon the parties, and each of their respective heirs, executors, administrators, successors and permitted assigns. The provisions not satisfied at Settlement will survive the delivery of the deed and will not be merged therein. This Contract, unless amended in writing, contains the final and entire agreement of the parties and the parties will not be bound by any terms, conditions, oral statements, warranties or representations not herein contained. The interpretation of this Contract will be governed by the laws of the jurisdiction where the Property is located.

**SELLER:**

**BUYER:**

\_\_\_\_\_/\_\_\_\_\_  
Date Signature (SEAL)

\_\_\_\_\_/\_\_\_\_\_  
Date Signature (SEAL)

\_\_\_\_\_/\_\_\_\_\_  
Date Signature (SEAL)

\_\_\_\_\_/\_\_\_\_\_  
Date Signature (SEAL)

**Date of Ratification** see paragraph #23 (DEFINITIONS) \_\_\_\_\_

\*\*\*\*\*

**For information purposes only:**

Listing Company's Name and Address:

Selling Company's Name and Address:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Office # \_\_\_\_\_ FAX # \_\_\_\_\_

Office # \_\_\_\_\_ FAX # \_\_\_\_\_

MRIS Broker Code and Office ID \_\_\_\_\_

MRIS Broker Code and Office ID \_\_\_\_\_

Agent Name \_\_\_\_\_

Agent Name \_\_\_\_\_

Real Estate License Number & Jurisdiction

Real Estate License Number & Jurisdiction

Agent MRIS ID# \_\_\_\_\_

Agent MRIS ID# \_\_\_\_\_

Team Leader/Agent \_\_\_\_\_

Team Leader/Agent \_\_\_\_\_

Agent Email Address \_\_\_\_\_

Agent Email Address \_\_\_\_\_

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