



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 March 3, 2010 to Exclusive Right to Sell Brokerage Agreement dated March 3, 2010, between Owner(s) Hornbeck, LLC and Broker Real Estate Teams, LLC J.B. Powell for Property known as 109 West 4th Street Frederick, MD 21701

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

ADDITIONAL INCLUSIONS (Specify): _____

EXCLUSIONS (Specify): _____

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 _____

[Signature] 03/03/2010
 Owner Date
Hornbeck, LLC

 Owner Date

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NOTICE TO BUYER AND SELLER OF BUYER'S RIGHTS AND SELLER'S OBLIGATIONS UNDER MARYLAND'S SINGLE FAMILY RESIDENTIAL PROPERTY CONDITION DISCLOSURE LAW

ADDENDUM # _____ dated March 3, 2010 to the Contract of Sale dated _____, between Buyer _____ and Seller Hornbeck, LLC for Property known as 109 West 4th Street, Frederick, MD 21701.

NOTE: This notice does not apply to: (1) the initial sale of single family residential property which has never been occupied, or for which a certificate of occupancy has been issued within one year prior to the date of the Contract; (2) a transfer that is exempt from the transfer tax under Subsection 13-207 of the Tax-Property Article, except land installments contracts of sale under Subsection 13-207(a)(11) of the Tax-Property Article and options to purchase real property under Subsection 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 a use other than residential use or to be demolished; or (7) a sale of unimproved real property.

Section 10-702 of the Real Property Article of the Annotated Code of Maryland ("Section 10-702") requires that a seller of a single family residential property ("the property") deliver to each buyer, on or before entering into a contract of sale, on a form published and prepared by the Maryland Real Estate Commission, **EITHER:**


- (A) A written property condition disclosure statement listing all defects including latent defects, or information of which the seller has actual knowledge in relation to the following:
 - (i) Water and sewer systems, including the source of household water, water treatment systems, and sprinkler systems;
 - (ii) Insulation;
 - (iii) Structural systems, including the roof, walls, floors, foundation and any basement;
 - (iv) Plumbing, electrical, heating, and air conditioning systems;
 - (v) Infestation of wood-destroying insects;
 - (vi) Land use matters;
 - (vii) Hazardous or regulated materials, including asbestos, lead-based paint, radon, underground storage tanks, and licensed landfills;
 - (viii) Any other material defects, including latent defects, of which the seller has actual knowledge;
 - (ix) Whether the smoke detectors will provide an alarm in the event of a power Outage; and
 - (x) **If the property relies on the combustion of a fossil fuel for heat, ventilation, hot water, or clothes dryer operation, whether a carbon monoxide alarm is installed on the property.**



Latent defects under Section 10-702 means material defects in real property or an improvement to real property that:

- (i) A buyer would not reasonably be expected to ascertain or observe by a careful visual inspection, and
- (ii) Would pose a threat to the health or safety of the buyer or an occupant of the property, including a tenant or invitee of the buyer;

OR

- (B) A written disclaimer statement providing that:
 - (i) Except for latent defects of which the seller has actual knowledge, the seller makes no representations or warranties as to the condition of the real property or any improvements on the real property; and
 - (ii) The buyer 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.

 Buyer _____ / _____

Seller  _____ 

At the time the disclosure or disclaimer statement is delivered to you ("the buyer"), you are required to date and sign a written acknowledgement of receipt on the disclosure or disclaimer statement which shall be included in or attached to the contract of sale.

Section 10-702 further provides that a buyer who receives the disclosure or disclaimer statement on or before entering into a contract of sale does not have the right to rescind the contract based upon the information contained in the disclosure or disclaimer statement.

You are hereby notified that, in certain circumstances, you have the right to rescind your contract with the seller if the seller fails to deliver to you the written property condition disclosure or disclaimer statement. Section 10-702 provides that a buyer who does not receive the disclosure or disclaimer statement on or before entering into the contract has the unconditional right, upon written notice to the seller or seller's agent:

- (i) To rescind the contract at any time before the receipt of the disclosure or disclaimer statement or within 5 days following receipt of the disclosure or disclaimer statement; and
- (ii) To the immediate return of any deposits made on account of the contract.

Your right to rescind the contract under Section 10-702 terminates if not exercised before making a written application to a lender for a mortgage loan, if the lender discloses in writing at or before the time application is made that the right to rescind terminates on submission of the application or within 5 days following receipt of a written disclosure from a lender who has received your application for a mortgage loan, if the lender's disclosure states that your right to rescind terminates at the end of that 5 day period.

Your rights as a buyer under Section 10-702 may not be waived in the contract and any attempted waiver is void. Your rights as the buyer to terminate the contract under Section 10-702 are waived conclusively if not exercised before:

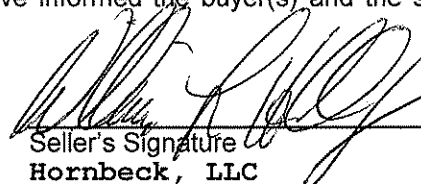
- (i) Closing or occupancy by you, whichever occurs first, in the event of a sale; or
- (ii) Occupancy, in the event of a lease with option to purchase.

The information contained in the property condition disclosure statement is the representation of the seller and not the representation of the real estate broker or sales person, if any. A disclosure by the seller is not a substitute for an inspection by an independent professional home inspection company. You should consider obtaining such an inspection. The information contained in a disclosure statement by the seller is not a warranty by the seller as to the condition of the property of which condition the seller has no actual knowledge or other condition, including latent defects, of which the seller has no actual knowledge. The seller is not required to undertake or provide an independent investigation or inspection of the property in order to make the disclosures required by Section 10-702. The seller is not liable for an error, inaccuracy or omission in the disclosure statement if the error, inaccuracy or omission was based upon information that was not within the actual knowledge of the seller or was provided to the seller by a third party as specified in Section 10-702(i) or (j).

You may wish to obtain professional advice about the property or obtain an inspection of the property.

The undersigned buyer(s) and seller(s) acknowledge receipt of this notice on the date indicated below and acknowledge that the real estate licensee(s) named below have informed the buyer(s) and the seller(s) of the buyer(s)' rights and the seller(s)' obligations under Section 10-702.

Buyer's Signature Date



Seller's Signature Date
Hornbeck, LLC 03/03/2010

Buyer's Signature Date



Seller's Signature Date
Agent's Signature Date
J.B. Powell 03/03/2010

Agent's Signature Date

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MARYLAND RESIDENTIAL PROPERTY DISCLOSURE AND DISCLAIMER STATEMENT

Property Address: 109 West 4th Street, Frederick, MD 21701

Legal Description: 11 02063573

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, 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? _____

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

Water Supply [] Public [] Well [] Other _____
Sewage Disposal [] Public [] Septic System approved for _____ (# bedrooms)
Garbage Disposal [] Yes [] No
Dishwasher [] Yes [] No
Heating [] Oil [] Natural Gas [] Electric [] Heat Pump Age _____ [] Other _____
Air Conditioning [] Oil [] Natural Gas [] Electric [] Heat Pump Age _____ [] Other _____
Hot Water [] Oil [] Natural Gas [] Electric Capacity _____ Age _____ [] 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: _____

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 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: _____

W/A

W/A

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 N/A Date N/A
Hornbeck, LLC

Owner N/A Date N/A

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 N/A Date N/A

Purchaser N/A Date N/A

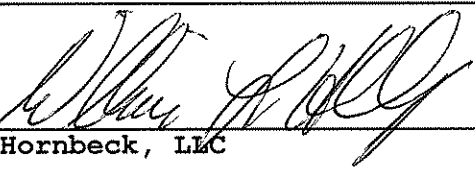
WJH

MARYLAND RESIDENTIAL PROPERTY DISCLAIMER STATEMENT

NOTICE TO OWNER(S): Sign this statement only if you elect to sell the property without representations and warranties as to its condition, except as otherwise provided in the contract of sale and in the listing of latent defects set forth below; otherwise, complete and sign the RESIDENTIAL PROPERTY DISCLOSURE STATEMENT.

Except for the latent defects listed below, the undersigned owner(s) of the real property make no representations or warranties as to the condition of the real property or any improvements thereon, and the purchaser will be receiving the real property "as is" with all defects, including latent defects, which may exist, except as otherwise provided in the real estate contract of sale. The owner(s) acknowledge having carefully examined this statement and further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

The owner(s) has actual knowledge of the following latent defects: NO KNOWN DEFECTS AS
OF MARCH 3, 2010 WGA

Owner  Date 3/3/10
Hornbeck, LLC

Owner _____ Date _____

The purchaser(s) acknowledge receipt of a copy of this disclaimer 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 _____

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Federal Lead Warning Statement

A buyer/tenant of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may contain lead-based paint and that exposure to lead from lead-based paint, paint chips or lead paint dust may place young children at risk of developing lead poisoning if not managed properly. 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/landlord of any interest in residential real property is required to disclose to the buyer/tenant the presence of known lead-based paint hazards and to provide the buyer/tenant with any information on lead-based paint hazards from risk assessments or inspections in the seller's/landlord's possession. A **tenant** must receive a federally approved pamphlet on lead poisoning prevention. It is recommended that a **buyer** conduct a risk assessment or inspection for possible lead-based paint hazards prior to purchase.

Seller's/Landlord's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (initial (i) or (ii) below):

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

(ii) *JS* Seller/Landlord has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller (initial (i) or (ii) below):

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

(ii) / Seller/Landlord has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Buyer's/Tenant's Acknowledgment (initial)

(c) / Buyer/Tenant has received copies of all information listed in section (b)(i) above, if any.

(d) / Buyer/Tenant has received the pamphlet *Protect Your Family from Lead In Your Home*.

(e) **Buyer** has (initial (i) or (ii) below):

(i) / 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

(ii) / waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (initial)

(f) *JS* Agent has informed the Seller/Landlord of the Seller's/Landlord's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

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

 JS 03/03/2010
Seller/Landlord Date
Hornbeck, LLC

Buyer/Tenant Date

Seller/Landlord Date

Buyer/Tenant Date

 J.B. Powell 03/03/2009
Seller's/Landlord's Agent Date
J.B. Powell

Buyer's/Tenant's Agent Date





Frederick County Disclosure

LEGAL REQUIREMENT. All Contracts of Sale for real property in the State of Maryland are required to be in writing to be enforceable. You have the right to have legal counsel review all documents and represent you. The Broker/agent is required to submit all written offers to the seller. An offer to purchase is not a contract until all terms and conditions have been agreed to in writing by the Buyer and Seller. The terms of a Contract of Sale cannot be altered after it has been accepted by all parties unless mutually agreed upon in writing by the Buyer and Seller. Therefore, the Buyer is advised that any contingencies or conditions of the sale should be a part of the original offer. The accepted Contract of Sale is a legally binding and enforceable document.

EQUAL HOUSING. The Property is offered in compliance with Title VIII of the Civil Rights Act of 1968 (as amended by the Fair Housing Amendments of 1988) and applicable Maryland and local laws with respect to race, color, sex, religion, national origin, physical and mental handicaps, familial status, age, sexual orientation, marital status and such other protected classes.

AIRPORTS, AIRSTRIPS & HELIPADS. Buyer acknowledges that there are properties located within a three (3) mile radius of airports, airstrips, heliports or helipads and it is the Buyers' responsibility to review any appropriate maps, plans or other information which they deem appropriate prior to entering into a Contract of Sale. The Frederick Municipal airport is located at 111 Airport Dr. E., Frederick, MD.

CITY OF FREDERICK SALE OF REAL PROPERTY ORDINANCE. The City of Frederick Disclosure upon Sale of Real Property Ordinance (the City of Frederick Code Section #12.5-3) requires the inclusion of the City of Frederick Disclosure Statement as a part of all Contracts of Sale for real property located within the City of Frederick limits.

FREDERICK COUNTY RIGHT TO FARM ORDINANCE. The Frederick County Right to Farm Ordinance (Frederick County Ordinance #96-23-175) requires the inclusion of the Right to Farm Disclosure Statement as a part of all Contracts of Sale for real property within Frederick County.



HAZARDOUS MATERIALS. There are many hazardous materials (i.e., asbestos, radon, underground storage tanks, etc.) that could affect any property. The Brokers and their agents will generally have no knowledge of these hazardous materials and do not have the technical expertise to ascertain or advise you of their presence or significance. It is the Buyer's responsibility to consult any experts they deem appropriate prior to entering into a Contract of Sale.

HOME WARRANTIES. A limited warranty may be available for purchase on the Property. Such limited warranty may provide some financial reimbursement in the event certain named components and or appliances become inoperable or fail during an agreed upon period of time (usually one year from settlement).

SETTLEMENT. All persons to be in title and/or responsible where a mortgage is to be created should be present at the time of settlement and will be required to provide photo identification. A lender usually requires, prior to settlement, a fully paid insurance policy, termite and other certifications when improved property is being purchased. The Buyer should have wired funds, bank check, or certified check for payment of estimated settlement costs and balance due under the Contract of Sale. If uncertain of the amount, Buyer should contact the settlement company 24-48 hours before settlement. Buyer should establish utilities in Buyer's name commencing with the day of settlement or occupancy.

MASTER PLANS AND ZONING ORDINANCES. Buyers have the right to review any applicable master plans, zoning ordinances, or other maps and information relating to planned land uses, roads, highways and the location of parks and other public facilities affecting the property. In addition the Buyer should check historic district guidelines and disclosures, if applicable. This information may be found at most local, county or state offices such as the Parks and Recreations, Planning and Zoning, etc.

CONDOMINIUM ASSOCIATION APPROVAL. If a sale is subject to the approval or right of first refusal of the Council Unit Owners or Board of Directors of a Condominium, the Seller must immediately present the Contract of Sale to such Council or Board for its action or consideration. In the event the sale is not allowed by the appropriate Council or Board, the Contract of Sale shall be null and void.

COMMUNITY DEVELOPMENT AUTHORITY DISTRICTS. In Frederick County, the vendor of a property that is subject to a tax or fee of a Special Taxing District as authorized in Article 23A, §44A(B) of the Code or by a Community Development Authority as authorized in § 2-7-125(B) of the Public Local Laws of Frederick County may not enforce a contract for the sale of the property unless within 20 calendar days after entering into the contract, the Purchaser of the property is provided the following information in writing.


This sale is subject to a tax or fee of a Special Taxing District or Community Development Authority. State law requires that the Seller disclose to you at or before the time the contract is entered into, or within 20 calendar days after entering into the contract, certain information concerning the property you are purchasing. The content of the information to be disclosed is set forth in § 10-704 of the Real Property Article of the Maryland Annotated Code and includes the amount of the current annual tax or fee of the Special Taxing District or Community Development Authority, and a statement of whether any tax or fee of the Special Taxing District or Community Development Authority against the property is delinquent.

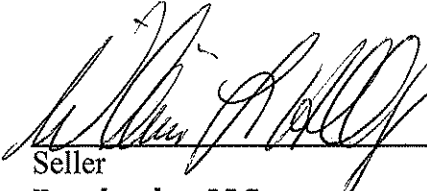
The amount of the current annual tax or fee of the Special Taxing District or Community Development Authority on the property is \$ _____ .

The number of years remaining for the tax or fee of the Special Taxing District or Community Development Authority on the property is _____ .

Whether any tax or fee of the Special Taxing District or Community Development Authority against the property is delinquent.

Tax of fee: _____ is delinquent

 is not delinquent

 3/3/09
Seller _____ Date _____ Buyer _____ Date _____
Hornbeck, LLC

Seller _____ Date _____ Buyer _____ Date _____



Real Estate Transfer Disclosure Statement



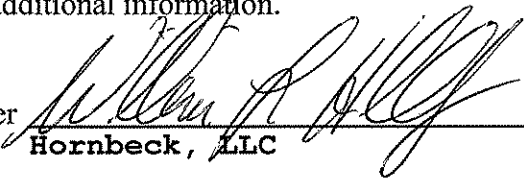
THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY LOCATED IN THE COUNTY OF FREDERICK, STATE OF MARYLAND, DESCRIBED AS 109 West 4th Street, Frederick, MD 21701

THIS STATEMENT IS A DISCLOSURE OF THE EXISTENCE OF THE FREDERICK COUNTY RIGHT TO FARM ORDINANCE IN COMPLIANCE WITH FREDERICK COUNTY ORDINANCE NO. 96-23-175 (THE FREDERICK COUNTY RIGHT TO FARM ORDINANCE)

SELLER'S INFORMATION

THE FOLLOWING ARE REPRESENTATIONS MADE BY THE SELLER AND ARE NOT THE REPRESENTATIONS OF THE AGENT(S), IF ANY. THIS INFORMATION IS A DISCLOSURE AND IS NOT INTENDED TO BE PART OF ANY CONTRACT BETWEEN THE BUYER AND SELLER.

FREDERICK COUNTY ALLOWS AGRICULTURAL OPERATIONS (as defined in the Frederick County Right to Farm Ordinance) WITHIN THE COUNTY. You may be subject to inconveniences or discomforts arising from such operations, including but not limited to noise, odors, fumes, dust, flies, the operation of machinery of any kind during any 24-hour period (including aircraft), vibration, the storage and disposal of manure, and the application by spraying or otherwise of chemical fertilizers, soil amendments, and pesticides. Frederick County has determined that inconveniences or discomforts associated with such agricultural operations shall not be considered to be an interference with reasonable use and enjoyment of land, if such operations are conducted in accordance with generally accepted agricultural management practices. Frederick County has established a reconciliation committee to assist in the resolution of disputes which might arise between persons in this County regarding whether agricultural operations conducted on agricultural lands are causing an interference with the reasonable use and enjoyment of land or personal well being and whether those operations are being conducted in accordance with generally accepted agricultural practices. If you have any questions concerning this policy or the reconciliation committee, please contact the Frederick County Planning Department for additional information.

Seller  Date March 3, 2010
Hornbeck, LLC

Seller _____ Date _____

I/WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS STATEMENT:

Buyer _____ Date _____

Buyer _____ Date _____

IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.



AS IS ADDENDUM

ADDENDUM # _____ dated March 3, 2010 to Contract of Sale dated _____, between Buyer _____ and Seller Hornbeck, LLC for Property known as 109 West 4th Street, Frederick, MD 21701

The following provisions are included in and supersede any conflicting language in the Contract.

The Property is sold in "AS IS" condition as of the Date of Contract Acceptance. Seller makes no warranty, express or implied, as to the condition of the Property or any equipment or system contained therein. Seller agrees to comply with Section 10-702 of the Real Property Article of the Annotated Code of Maryland if applicable (*Residential Property Disclosure and Disclaimer*). **The parties agree that all clauses in the Contract pertaining to property condition and wood destroying insects are hereby deleted from the Contract.** Buyer understands and agrees that Seller shall have no obligation to make repairs.

Buyer and Seller agree to initial only one of the following:

+

A. "AS IS" WITHOUT INSPECTION(S)

The Property is sold in "AS IS" condition as of the Date of Contract Acceptance without any inspection(s) or contingencies regarding the condition of the Property.

+

B. "AS IS" WITH INSPECTION(S) AND RIGHT TO TERMINATE

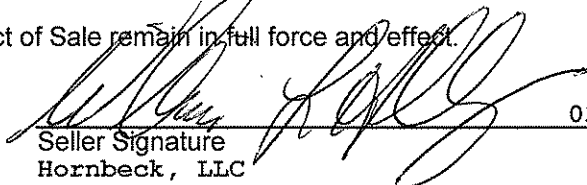
The Property is sold in "AS IS" condition as of the Date of Contract Acceptance. Buyer, at Buyer's expense, may have the Property inspected. In the event Buyer is dissatisfied with the results of any inspection(s), Buyer, upon written notice to Seller given within _____ Days from the Date of Contract Acceptance, shall have the unconditional right to terminate the Contract. If Buyer elects to terminate the Contract, the Contract shall become null and void, and Deposit(s) shall be disbursed in accordance with the Deposit paragraph of the Contract. If Buyer fails to have inspection(s) performed or fails to submit written notice of termination within the time period specified, Buyer shall have no right thereafter to terminate the Contract and the Contract shall remain in full force and effect.

Seller shall make the Property accessible for such inspection(s). Neither Buyer, nor any agent or contractor(s) of Buyer, shall in any way excavate, penetrate or otherwise damage any part of the Property without the prior written consent of Seller nor shall any furnishings, boxes, or personal property belonging to Seller be moved or relocated unless absolutely necessary in connection with the inspection(s). If the Property is part of a condominium, Buyer will be given access to the common areas to perform the inspection(s). Buyer and Seller shall have the right to be present during the inspection(s), and Buyer shall give Seller reasonable advance notice of the date and time of any inspection(s).

If Buyer or Buyer's agents or contractors damage the Property during any inspection(s), Buyer shall be responsible for all costs incurred in correcting such damage. Buyer's responsibility for all costs incurred in correcting any damage shall survive termination of the Contract.

All other terms and conditions of the Contract of Sale remain in full force and effect.

Buyer Signature Date



Seller Signature Date
Hornbeck, LLC 03/03/2010

Buyer Signature Date

Seller Signature Date

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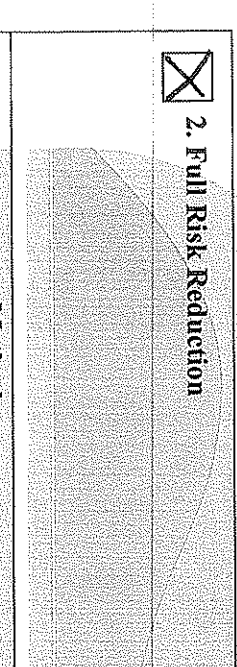


MARYLAND DEPARTMENT OF THE ENVIRONMENT
 LEAD PAINT RISK REDUCTION (MDE FORM 330) INSPECTION CERTIFICATE NO. 484828

MDE TRACKING NO. 205461 MDE PROPERTY NO. 1102063573 OWNER NAME Hornbeck, LLC
 Street Address 109 W. 4th Street Unit #1 Unit No. (e.g. StrNo: 2 A or StrNo: SFP) Frederick City Frederick County Frederick Zip Code 21701

The Maryland accredited lead inspector must mark an inspection category 1, 2, 3, 4, or 5 and mark the appropriate inspection method. Only ONE category and method are to be marked. The following attachments are required to be submitted with the certificate: Form B and Original Signed copy of Supervisor's Statement of Work for Visual Inspections, Form C and laboratory results for Dust Inspections and Form E for Lead-Free. The certificate shall be signed by the inspector who performed the inspection. Inspection certificates and all required attachments must be submitted to MDE within 10 days after the receipt by the inspector of dust sample results or within 10 days following a Visual Inspection. Copies of all inspection records shall be maintained for at least 5 years by the lead inspection contractors. Maximum penalties will be pursued by MDE for any falsified documentation that is received by MDE.

INSPECTION CATEGORIES

<input type="checkbox"/> 1. Lead Free					<input type="checkbox"/> 3. Modified Risk Reduction	<input type="checkbox"/> 4. Lead Safe (Qualified Offer - Certificate expires 24 months from the date inspected) <input type="checkbox"/> 5. Lead Safe (Not For Qualified Offer)
<input type="checkbox"/> A. One Time Only (Interior & Exterior) OR <input type="checkbox"/> B. Limited (Interior Only) Re-certification Required by ___/___/___					<input checked="" type="checkbox"/> 2. Full Risk Reduction	<input type="checkbox"/> B. Visual Inspection OR <input type="checkbox"/> C. Visual Inspection with Exterior Waiver Certificate expires 4/30/2010 (Unless otherwise noted in local code)
<input type="checkbox"/> A. Dust Inspection OR <input checked="" type="checkbox"/> D. Dust Inspection with Exterior Waiver Certificate expires 4/30/2010 (Unless otherwise noted in local code)	<input type="checkbox"/> B. Visual Inspection OR <input type="checkbox"/> F. Visual Inspection w/ Lead Free Exterior	<input type="checkbox"/> C. Visual Inspection with Exterior Waiver Certificate expires 4/30/___ (Unless otherwise noted in local code)	<input type="checkbox"/> D. Visual Inspection w/ Lead Free Exterior			

PASSED Based on the findings of the attached inspection report(s), I certify that the property/unit meets the certification criteria at this time. (circle property or unit as appropriate)
 FAILED Based on the findings of the attached inspection report(s), the property/unit fails to meet certification criteria at this time. (circle property or unit as appropriate)

I certify that I inspected the above listed property/unit on 02/18/10 at 9:30 a.m. under Title 6, Subtitle 8 of the Environment Article, Annotated Code of MD.

Inspector's Name Cheryl Eckard Inspector's Signature Cheryl Eckard Accreditation No. 8046 Accreditation Expiration Date 02/28/2011 Inspection Company Name Cheryl Eckard Environmental Services LLC Accreditation No. 9053 Accreditation Expiration Date 02/28/2011

MARYLAND DEPARTMENT OF THE ENVIRONMENT

LEAD PAINT RISK REDUCTION

INSPECTION CERTIFICATE NO.

462119

MDE TRACKING NO. 905461

MDE PROPERTY NO. 110 206 3573

OWNER NAME Hornbeck, LLC

Street Address 109 West 4th Street #2

Unit No.

City Frederick

County

Zip Code 21701

The Maryland accredited lead inspector must mark an inspection category 1, 2, 3, or 4 and mark the appropriate inspection method. Only ONE category and method are to be marked. The following attachments are required if applicable: Lead Free, Form E; Dust Inspection, Form C; or Visual Inspection, Form B and Supervisor's Statement of Work Form. Certificates issued pursuant to a waiver for exterior work will be invalid unless the exterior is re-inspected within 30 days after the expiration date. The Inspection Certificate No. shall be referenced on all forms submitted.

INSPECTION CATEGORIES

<input type="checkbox"/> 1. Lead Free Methods <input type="checkbox"/> A. One Time Only (interior & exterior) OR <input type="checkbox"/> B. Limited (interior only) Re-certification of exterior required by ___/___/___	<input checked="" type="checkbox"/> 2. Full Risk Reduction Methods <input checked="" type="checkbox"/> A. Dust Inspection w/ Exterior Waiver Expiration Date 04/01/ OR <input type="checkbox"/> D. Dust Inspection w/ Exterior Waiver Expiration Date 04/01/ OR <input type="checkbox"/> E. Dust Inspection w/ Lead Free Exterior	<input type="checkbox"/> 3. Modified Risk Reduction Methods <input type="checkbox"/> B. Visual Inspection w/ Exterior Waiver Expiration Date 04/01/ OR <input type="checkbox"/> C. Visual Inspection w/ Exterior Waiver Expiration Date 04/01/ OR <input type="checkbox"/> D. Visual Inspection w/ Lead Free Exterior	<input type="checkbox"/> 4. Lead Safe (Qualified Offers only) This inspection category expires 24 months from the date inspected. Methods <input type="checkbox"/> A. Dust Inspection OR <input type="checkbox"/> B. Dust Inspection & Visual Inspection OR <input type="checkbox"/> C. Dust Inspection w/ Lead Free Exterior OR <input type="checkbox"/> D. Dust Inspection & Visual Inspection w/ Lead Free Exterior AND Verification that windows are lead-free or have been treated so friction surfaces are lead free.
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PASSED Based on the findings of the attached inspection report(s), I certify that the property/unit meets the certification criteria at this time.
 (circle property or unit as appropriate)

FAILED Based on the findings of the attached inspection report(s), the property/unit fails to meet certification criteria at this time.
 (circle property or unit as appropriate)

I certify that I inspected the above listed property and on 09/03/09 at 10:30 AM p.m. under Title 6, Subtitle 8 of the Environment Article, Annotated Code of Maryland.

Inspector's Name Cheryl Eckard Inspector's Signature Cheryl Eckard Accreditation No. 90416 Expiration Date 02/28/2011 Inspection Company Environmental Services Accreditation No. 9053 Expiration Date 02/28/2011