



**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 May 8, 2009 to Exclusive Right to Sell Brokerage Agreement  
dated May 8, 2009, between Owner(s) Holly C. Wallace  
William O. Wallace  
and Broker Real Estate Teams, LLC J.B. Powell  
4009 Trego Road  
for Property known as Keedysville, MD 21756-1641

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

- |   |   |  |  |
|---|---|--|--|
| <b>INCLUDED</b>   | <b>INCLUDED</b>   | <b>INCLUDED</b>  | <b>INCLUDED</b>  |
| <input checked="" type="checkbox"/> Alarm System              | <input checked="" type="checkbox"/> Exhaust Fan(s) # <u>5</u>   | <input type="checkbox"/> Pool, Equip. & Cover                  | <input type="checkbox"/> Trash Compactor               |
| <input checked="" type="checkbox"/> Built-in Microwave        | <input checked="" type="checkbox"/> Exist. W/W Carpet           | <input checked="" type="checkbox"/> Refrigerator(s) # <u>1</u> | <input type="checkbox"/> Wall Oven(s) # _____          |
| <input checked="" type="checkbox"/> Ceiling Fan(s) # <u>7</u> | <input checked="" type="checkbox"/> Fireplace Screen/Doors      | <input checked="" type="checkbox"/> w/ice maker                | <input checked="" type="checkbox"/> Water Filter       |
| <input checked="" type="checkbox"/> Central Vacuum            | <input type="checkbox"/> Freezer                                | <input type="checkbox"/> Satellite Dish                        | <input checked="" type="checkbox"/> Water Softener     |
| <input checked="" type="checkbox"/> Clothes Dryer             | <input checked="" type="checkbox"/> Furnace Humidifier          | <input checked="" type="checkbox"/> Screens                    | <input type="checkbox"/> Window A/C Unit(s)<br># _____ |
| <input checked="" type="checkbox"/> Clothes Washer            | <input checked="" type="checkbox"/> Garage Opener(s) # <u>3</u> | <input checked="" type="checkbox"/> Shades/Blinds              | <input type="checkbox"/> Window Fan(s)<br># _____      |
| <input type="checkbox"/> Cooktop                              | <input type="checkbox"/> w/remote(s) # <u>3</u>                 | <input type="checkbox"/> Storage Shed(s) # _____               | <input type="checkbox"/> Wood Stove                    |
| <input checked="" type="checkbox"/> Dishwasher                | <input checked="" type="checkbox"/> Garbage Disposer            | <input type="checkbox"/> Storm Doors                           |  |
| <input checked="" type="checkbox"/> Drapery/Curtain Rods      | <input type="checkbox"/> Hot Tub, Equip. & Cover                | <input type="checkbox"/> Storm Windows                         |  |
| <input checked="" type="checkbox"/> Draperies/Curtains        | <input type="checkbox"/> Intercom                               | <input checked="" type="checkbox"/> Stove or Range             |  |
| <input checked="" type="checkbox"/> Electronic Air Filter     | <input type="checkbox"/> Playground Equipment                   | <input type="checkbox"/> T.V. Antenna                          |  |

ADDITIONAL INCLUSIONS (Specify):

UV Light on well

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 \_\_\_\_\_

William O. Wallace 05/08/2009  
Owner Date  
William O. Wallace

Holly C. Wallace 05/08/2009  
Owner Date  
Holly C. Wallace

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10/05



Real Estate Teams 50 Citizens Way, Suite 400 Frederick, MD 21701  
Phone: (301) 644 - 2681 Fax: (301) 695 - 3138 JB POWELL

4009 Trego road

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**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) WOW / WOW 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) \_\_\_ / \_\_\_ 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) WOW / WOW 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) WOW 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.

William O. Wallace 05/08/2009  
Seller/Landlord Date

\_\_\_\_\_  
Buyer/Tenant Date

William O. Wallace 05/08/2009  
Seller/Landlord Date

\_\_\_\_\_  
Buyer/Tenant Date

J.B. Powell 05/08/2009  
Seller's/Landlord's Agent Date

\_\_\_\_\_  
Buyer's/Tenant's Agent Date

J.B. Powell





**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 May 8, 2009 to the Contract of Sale dated \_\_\_\_\_, between Buyer \_\_\_\_\_ and Seller William O. Wallace, Holly C. Wallace for Property known as 4009 Trego Road, Keedysville, MD 21756-1641

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 WOW 

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.

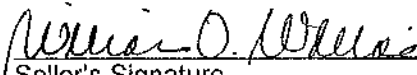

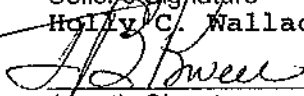
Your rights as a buyer under Section 10-702 may not be waived in the contract and any attempted waiver is void. Your rights as the buyer to terminate the contract under Section 10-702 are waived conclusively if not exercised before:

- (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.

_____	_____		05/08/2009
Buyer's Signature	Date	Seller's Signature	Date
		William O. Wallace	
_____	_____		05/08/2009
Buyer's Signature	Date	Seller's Signature	Date
		Holly C. Wallace	
_____	_____		05/08/2009
Agent's Signature	Date	Agent's Signature	Date
		J.B. Powell	

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MARYLAND RESIDENTIAL PROPERTY DISCLOSURE AND DISCLAIMER STATEMENT

Property Address: 4009 Trego Road, Keedysville, MD 21756-1641

Legal Description: TAX ID # 22 08 014752

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? Approximately 4 years -

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

Water Supply: [ ] Public, [x] Well, [ ] Other
Sewage Disposal: [ ] Public, [x] Septic System approved for (# bedrooms)
Garbage Disposal: [x] Yes, [ ] No
Dishwasher: [x] Yes, [ ] No
Heating: [ ] Oil, [ ] Natural Gas, [x] Electric, [x] Heat Pump Age 4 years, [ ] Other
Air Conditioning: [ ] Oil, [ ] Natural Gas, [x] Electric, [ ] Heat Pump Age 4 years, [ ] Other
Hot Water: [ ] Oil, [ ] Natural Gas, [x] Electric Capacity 80 Gallons 4 years, [ ] Other

Please indicate your actual knowledge with respect to the following:

1. Foundation: Any settlement or other problems?  Yes  No  Unknown  
 Comments: *Residence is 4 years old*
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: *Asphalt Shingle* Age: *4 years*  
 Comments: *Lower CONSTRUCTION - ALL BRICK -*  
 Is there any existing fire retardant treated plywood?  Yes  No  Unknown  
 Comments: *most likely not*
4. Other Structural Systems, including exterior walls and floors:  
 Comments: \_\_\_\_\_  
 Any defects (structural or otherwise)?  Yes  No  Unknown  
 Comments: *None ONLY 4 years old*
5. Plumbing System: Is the system in operating condition?  Yes  No  Unknown  
 Comments: *Hot water heater 80 GALLON*
6. Heating Systems: Is heat supplied to all finished rooms?  Yes  No  Unknown  
 Comments: *TWO ZONE HUAC - INCLUDES UNFINISHED Basement -*  
 Is the system in operating condition?  Yes  No  Unknown  
 Comments: *Only 4 year old systems*
7. Air Conditioning System: Is cooling supplied to all finished rooms?  Yes  No  Unknown  Does Not Apply  
 Comments: *TWO ZONES of HUAC IN UNFINISHED AREAS - AS WELL*  
 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: \_\_\_\_\_  
 Comments: *Not pumped (2) Tanks installed 4 years ago*
10. Water Supply: Any problem with water supply?  Yes  No  Unknown  
 Comments: \_\_\_\_\_  
 Home water treatment system:  Yes  No  Unknown  
 Comments: *Water softener & UV light on well*  
 Fire sprinkler system:  Yes  No  Unknown  Does Not Apply  
 Comments: \_\_\_\_\_  
 Are the systems in operating condition?  Yes  No  Unknown  
 Comments: *CHECKED & MONITORED Regularly*
11. Insulation:  
 In exterior walls?  Yes  No  Unknown  
 In ceiling/attic?  Yes  No  Unknown  
 In any other areas?  Yes  No  Unknown  
 Comments: *Basement walls*
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: *ONLY 4 years old*

*WOW*  
*QEM*

13. Wood-destroying insects: Any infestation and/or prior damage?  Yes  No  Unknown

Comments: NEW CONSTRUCTION

Any treatments or repairs?  Yes  No  Unknown

Any warranties?  Yes  No  Unknown

Comments: Regularly treated by Home Exterminator

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: Electric Heat Pump

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: NONE AS OF LIST DATE 5/8/2009 - NEWEX CONSTRUCTION

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: William O. Wallace Date May 8, 2009  
William O. Wallace

Owner: Holly C. Wallace Date May 8, 2009  
Holly C. Wallace

The purchaser(s) acknowledge receipt of a copy of this disclosure statement and further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

Purchaser \_\_\_\_\_ Date \_\_\_\_\_

Purchaser \_\_\_\_\_ Date \_\_\_\_\_

**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: \_\_\_\_\_

\_\_\_\_\_

Owner N/A Date N/A  
William O. Wallace

Owner N/A Date N/A  
Holly C. Wallace

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 N/A Date N/A

Purchaser N/A Date N/A

APPENDIX B  
REAL ESTATE TRANSFER DISCLOSURE STATEMENT

THIS REAL ESTATE TRANSFER DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY LOCATED IN WASHINGTON COUNTY, STATE OF MARYLAND, DESCRIBED AS 4009 Trego Road. THIS STATEMENT IS A DISCLOSURE OF THE EXISTENCE OF THE RIGHT TO FARM ORDINANCE FOR WASHINGTON COUNTY ("THE ORDINANCE") AS REQUIRED BY THE ORDINANCE.

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.

WASHINGTON COUNTY ALLOWS AGRICULTURAL OPERATIONS (as defined in the Ordinance) WITHIN THE COUNTY. You may be subject to inconveniences or discomfort arising from such operations, including but not limited to noise, odors, fumes, dust, flies, the operation of machinery of any kind during any 24-hours period (including aircraft), vibration, the storage and disposal of manure, and the application by spraying or otherwise of chemical fertilizers, soil amendments, and pesticides. Washington County has determined that inconveniences or discomforts associated with such agricultural operations, shall not be considered to be an interference with the reasonable use and enjoyment of land, if such operations are conducted in accordance with Generally Accepted Agricultural Management Practices. Washington County has established a reconciliation board to assist in the resolution of disputes that 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 question concerning this policy or the reconciliation board, please contact the Washington County Planning Department for additional information.

Seller: William O. Wallace Date: 05/08/2009  
William O. Wallace

Seller: Holly C. Wallace Date: 05/08/2009  
Holly C. Wallace

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

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

Buyer: \_\_\_\_\_ Date: \_\_\_\_\_

IF YOU DESIRE LEGAL ADVICE CONCERNING THE EFFECT OF THIS DISCLOSURE, PLEASE CONSULT YOUR ATTORNEY.

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS  
FORVALLEY RIDGE ESTATES SUBDIVISION

This DECLARATION is made this 4 day of MAY, 2001, by VALLEY LAND AND DEVELOPMENT, LLC, a Maryland limited liability company (hereinafter referred to as "Declarant").

## RECITALS

WHEREAS, Declarant is the owner of certain real property located in Keedysville, Washington County, Maryland, being part of all and the same real estate which was conveyed unto Declarant by deed from Edith H. Shaffer dated February 15, 2001 and recorded among the Land Records of Washington County, Maryland in Liber 1630, folio 800 (hereinafter referred to as "Valley Land Property").

WHEREAS, Declarant intends to subdivide and develop the Valley Land Property into residential building lots to be known as Valley Ridge Estates Subdivision; and

WHEREAS, Declarant wishes to establish covenants, conditions, restrictions, and easements (hereinafter referred to as "covenants") which are for the purpose of protecting the value and desirability of the Valley Land Property and any improvements constructed thereon but which covenants shall only apply to that part of the Valley Land Property described on EXHIBIT A attached hereto and incorporated herein and which covenants shall not be construed to create a common scheme or general plan of development for any land not expressly made subject to this Declaration; and

WHEREAS, the following terms shall have the definition and meaning as hereinafter provided:

(a) "Declarant" means Valley Land and Development, LLC, and any successor or assign thereof, to whom Declarant shall convey or otherwise transfer all of the rights, title and interest in the Valley Land Property then owned by it and to whom Declarant shall expressly transfer and assign all of its rights, title and interest under this Declaration, or any amendment or modification thereof.

(b) "Owner" means the person, or legal entity, or the combination thereof, including contract sellers, holding the record fee simple or perpetually renewable leasehold title to a Lot in the Valley Land Property, as the Lot is now or may from time to time hereafter be created or established. If more than one person, or other legal entity or any combination thereof, holds the

record title to any Lot, all of them shall be deemed a single record owner and shall be a single member of the Association by virtue of their ownership of the Lot. The term "Owner" shall not mean any contract purchaser, or the owner of any redeemable ground rent reversion issuing out of any Lot, nor shall it include any mortgagee or other person or legal entity holding an interest in a Lot as security for the performance of an obligation.

(c) "Lot" or "Lots" means Lots 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21 and 22, as shown on the subdivision plat entitled, "Final Plat of Subdivision of Lots 3, 4, 6 and through 22, Valley Ridge Estates", recorded in Washington County Plat Folio 6531, and more particularly described on EXHIBIT A attached hereto and incorporated herein, and such additional land as may be subjected to this Declaration under the provisions hereof, but specifically excepting thereout and therefrom Lot 2 and Lot 5 appearing on the aforesaid subdivision plat entitled "Final Plat of Subdivision of Lots 3, 4, 6 and through 22, Valley Ridge Estates", which are not subject to this Declaration.

NOW, THEREFORE, Declarant hereby declares that the Lots described on EXHIBIT A shall be held, sold and conveyed subject to the following:

**ONE:** No subdivision of any lot shall be permitted except for Lot 3, which may be subdivided by the Declarant, its successors and assigns.

**TWO:** No building, fence, wall, mailbox, tennis court, swimming pool (except for above-ground swimming pools which are not permitted on the Lots), shed, pool shed, green house, or propane storage tanks or any other structure or equipment of any kind shall be erected, placed or structurally altered on any Lot until the construction plans and specifications and a plan showing location of the structure, building, fence or wall and landscaping and screening have been approved by the Architectural Control Committee (hereinafter referred to as the "Committee") as to the quality of the workmanship and materials, harmony of external design with existing structures and as to location with respect to topography and finish grade elevation, landscaping and screening. The required submission to the Committee shall include (but not be limited to):

- (a) site plan
- (b) construction plans
- (c) exterior specifications - (to include colors of brick, siding, roof, shingles, etc.)
- (d) finished grade elevations
- (e) landscaping and screening plan; and
- (f) non-refundable review fee

The Committee is composed solely of Ronald N. Starky and Heinz A. Heger. The Committee may designate a representative(s) to act for it. In the event of death or resignation of a Committee Member without said Committee Member or his personal representative having appointed a successor or assigned his rights as Declarant, as evidenced by an Assignment of Declarant's Rights recorded among the aforesaid Land Records within one (1) year of said

Committee Member's death or resignation, the Owners of all of the Lots shall have the right to elect a successor (one (1) vote per Lot) by a majority vote upon which event the said Committee Member or his successor or assigns shall be deemed relieved of all further obligations hereunder. The Committee's approval or disapproval as required in these covenants shall be in writing. In the event the Committee, or its designated representative, fails to approve or disapprove within thirty (30) days after plans and specifications have properly been submitted to it, said plans and specifications shall be deemed to be disapproved and related covenants shall be deemed to have not been fully complied with. Any alteration, construction or fence erection of any kind or nature begun before the required submission to the Committee shall be deemed to be disapproved without further action by the Committee and shall be immediately removed upon demand by the Committee or its authorized representative whether said demand is made before or after the completion of the alteration, construction or fence erection. A Two Hundred Fifty Dollar (\$250.00) non-refundable review fee shall be paid to the Committee for each submission of plans (i.e. construction and location plans). A non-refundable fee of Fifty Dollars (\$50.00) shall be paid to the Committee for each submission of plans for outbuildings, landscaping plans, swimming pools or other structures is submitted separately from the plan submission for the dwelling. Construction of the improvements pursuant to the plans approved by the Committee must be completed within eighteen (18) months of the date such plans are approved or such Committee approval shall be null, void and terminated, without further action by the Committee or the Declarant and construction shall not then commence until proper plans have been re-submitted and approved by the Committee as with the initial submission in accordance herewith and Declarant shall be entitled to pursue all available legal and equitable remedies against the Owner for violating these covenants.

Additionally, after a dwelling has been occupied ("move-in-date"), the owner shall submit to the Committee a generic landscaping plan for the Lot upon which the dwelling is located within one (1) year of the move-in-date. Within two (2) years of the move-in-date, the landscaping shown on the landscaping plan shall be completely installed.

All driveways and driveway aprons serving the Lots shall be constructed entirely of asphalt or entirely of concrete as approved by the Committee and no concrete aprons shall be allowed with asphalt driveways or asphalt aprons with concrete driveways. All driveways and driveway aprons shall be completely installed within thirty (30) months of the move-in-date. Declarant shall be entitled to pursue against the Owner all available legal and equitable remedies for Owner's violation of these covenants.

**THREE:** No dwelling shall be permitted on any Lot for which the ground floor area of the main structure thereof, exclusive of one (1) story open porches and garages, is less than 2800 square feet for the combined total of square footage on the first and second floor, or less than 2000 square feet for a one-story dwelling. No trailers or mobile homes with or without axles will be permitted on any Lot.

All exposed exterior walls of residences, garages and outbuildings shall be built of brick, stone, natural wood (not including logs), stucco, weatherboard, aluminum, vinyl or clapboard siding, or combinations thereof, to the end that no such wall shall be built of any other materials on any Lot unless the same are covered by brick, stone, natural wood, stucco, weatherboard, aluminum, vinyl, clapboard or combinations thereof; provided, however, that no log homes or "earth", "earthen", or "in ground" homes shall be permitted in the Subdivision. Foundations exposed to grade shall be of brick. No exposed poured cement block foundations, except poured concrete with painted brick pattern, shall be permitted. All sheds shall be constructed off the same type, color and composition of materials as are used in the principal dwellings, and shall be screened and landscaped as approved by the Committee.

**FOUR:** (a) No building shall be erected or located on any Lot nearer to the front line or nearer to the side street line than the minimum building setback lines shown on the recorded subdivision plat for the Lot or any amendment to or permitted resubdivision thereof, or in the event no such lines are shown on the plat, then all set back lines for the front, side and rear of each Lot shall comply with the Washington County Zoning Ordinances and Subdivision Regulation in effect as of the date of this instrument.

(b) An encroachment into the aforesaid setback areas of not more than twelve (12) inches shall not constitute a violation of these restrictions.

**FIVE:** No outdoor clotheslines shall be permitted on any Lot at any time.

**SIX:** Easements for installation and maintenance of utilities and drainage facilities are reserved for the benefit of the Declarant, his personal representatives, heirs and assigns, as shown on the recorded subdivision plats for the Lots and over the front, side and rear ten feet (10') of each Lot. Within these easements, no structure, planting (other than grass) or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible.

**SEVEN:** No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. No dirt tracks or race courses for motorized vehicles shall be allowed on any lot.

**EIGHT:** No structure of a temporary nature, trailer, mobile home, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence either temporarily or permanently; provided, however, that to the extent permitted under the Washington County Zoning Ordinance and Subdivision Regulations, in effect as of the date of this Declaration, an accessory structure, reviewed and approved by the Committee, may be

utilized for an accessory apartment unit or dwelling for a relative of the Owner of a Lot, provided it complies with and receives all necessary approvals from applicable government agencies.

**NINE:** Except for one (1) permanent subdivision identification sign to be placed in a location to be determined by the Declarant and for which a general easement over the Lots is hereby reserved by Declarant, no sign of any kind shall be displayed to the public view on any Lot except one (1) sign of not more than five (5) square feet advertising any Lot with or without improvements for sale, or signs used by a builder to advertise the Lot during the construction and sales period.

**TEN:** No livestock, farm animals, or poultry (except for horses) of any kind shall be raised, bred or kept on any Lot. Horses may be kept on a lot with a dwelling, if permitted by the laws, ordinances, and regulations of Washington County, Maryland. Dogs, cats or other usual household pets not in excess of two (2) per animal-type (and no more than three (3) total) may be kept (but not bred) on a Lot with a dwelling, provided that they are not permitted to roam at large.

**ELEVEN:** No fence shall be erected, placed or altered on any Lot nearer to any street than the minimum building setback line as shown on the recorded subdivision plats or any amendment to or permitted resubdivision thereof; provided, however, that no fences shall be erected, placed or altered on any Lot nearer to any street or front lot line than the front of the dwelling constructed on the Lot. No fence or hedge shall exceed fifty-four inches (54") in height and shall not interfere with underground or surface drainage, structure, pipes or ditches. No chain link or metal fences with stakes and/or wire shall be permitted. This restriction shall not apply to retaining walls required by topography, or privacy fences erected with, adjacent to and for the purpose of protecting a swimming pool constructed on a Lot, with Committee approval, but which such enclosures, swimming pool privacy fences, patios and retaining walls shall require the written approval of the Committee as provided in Paragraph Second.

**TWELVE:** That portion of any Lot which is not occupied by a dwelling or other building shall be kept free and clear of all trash, weeds and debris so that the same may be identified as a residential lot. Any Lot, which has been sold but upon which no dwelling has been constructed shall likewise be kept free and clear of tash, weeds and debris by the Owner, pending the construction of a dwelling thereon. Each Owner shall promptly remove or otherwise dispose of any accumulation of trash, garbage or rubbish, or rock piles, and at all times maintain said Lot in a neat, clean, and sanitary condition. In the event the Owner of a Lot shall fail to maintain the Lot and the buildings and other improvements thereon as provided herein, the Declarant, his agents and/or representatives, shall have the right to enter upon the Lot to perform such work as is reasonably required to restore the Lot and the buildings and other improvements thereon to a condition of good order and repair. All costs incurred by the Declarant in connection with the restoration shall be reimbursed to the Declarant by the Owner of the Lot, upon demand.

**THIRTEEN:** No tractor trailers, buses, dump trucks, construction equipment, or large farm equipment shall be allowed on any Lot except during the construction of any improvements on the Lot. No parking shall be allowed on any public street. No house trailers, travel trailers, campers, recreational vehicles, and boats or any other vehicles or equipment of a similar nature shall be allowed on any Lot unless they are stored in a garage and out of public view. No automobiles, pickup trucks or vans shall be allowed on any Lot unless they display a valid current license or registration.

**FOURTEEN:** No outside television or radio antenna or satellite dish of any kind shall be erected, installed or maintained without approval of the Committee on any Lot, or on any structures thereon, except that a small outside satellite dish may be permitted (with the approval of the Committee) on a dwelling house in such a location as to be the greatest possible distance from the public street upon which the dwelling fronts. If required in order to obtain a useable signal for reception, said small outside satellite dish may be permitted on the side of the dwelling house, with the approval of the Committee, if the Owner can demonstrate to the Committee the need for its placement in order to obtain a useable signal for reception.

**FIFTEEN:** These Covenants are to run with the land, and shall be binding on all parties and all persons claiming under them for a period of thirty (30) years from the date these covenants are recorded. After said thirty (30) year period, the covenants shall be automatically extended for successive periods of ten (10) years unless, at that time, an instrument signed by a seventy percent (70%) majority of the Owners of the Lots has been recorded, agreeing to change said covenants in whole or in part. Any amendment must be recorded among the Land Records of Frederick County, Maryland.

**SIXTEEN:** Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violation or to recover damages, which shall include, but not be limited to, court costs and reasonable attorney's fees. It shall not be necessary to incorporate the covenants herein set forth in every deed of conveyance for the Lots.

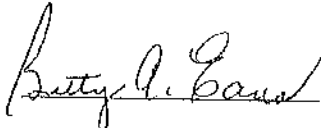
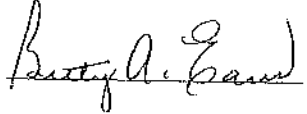
**SEVENTEEN:** Invalidation of any one of these covenants by judgment or court order shall in no way affect any of the other provisions which shall remain in full force and effect. Any and all of the rights and powers (including discretionary powers and rights) herein reserved by or conferred upon the Declarant or the Committee may be assigned or transferred by the Declarant or the Committee, their respective personal representatives, heirs, successors and/or assigns, to any one or more corporations, individuals, or associations agreeing to accept the same. Any such assignment or transfer shall be evidenced by an appropriate instrument recorded among the Land Records of Washington County, Maryland, and upon recordation thereof, the Grantee or Grantees of such rights and powers shall thereupon and thereafter have the right to exercise and perform all of the rights and powers reserved by or conferred upon the transferring Declarant and/or Committee, by this Declaration.

**EIGHTEEN:** For so long as Declarant owns fee simple title to a Lot (whether or not such Lot is subject to this Declaration as described on EXHIBIT A), the Declarant shall have the right, by instrument duly recorded among the Land Records of Washington County, Maryland, which need only be signed by the Declarant and the holder of any mortgage or similar lien on the Lot or Lots then owned by the Declarant, to modify the provisions to this Declaration if the modification is deemed by the Declarant to be reasonably necessary in the best interests of the Lots and the consent to the modification by any Owner or of the holder of any mortgage or lien on such Owner's Lot shall not be required even though the modification relates to Lots no longer owned by the Declarant.

**NINETEEN:** Additional property may be made subject to this Declaration without the consent of any person other than the Declarant. The scheme of the within covenants and restrictions shall not, however, be extended to include any such additional property unless and until the same is annexed to the real property described on EXHIBIT A as hereinafter provided by written instrument duly recorded among the aforesaid Land Records. The annexation of any additional property shall be at the sole discretion of the Declarant without the approval or consent of the Owners. Each and every Owner, by acceptance of the deed or other instrument of conveyance for any Lot, expressly waives the principal of common scheme with respect to the Lots, or any real property adjacent to the Lots.


IN WITNESS WHEREOF, the undersigned, being the Declarant herein, have set their hands and affixed their seals on the day and year first above written.

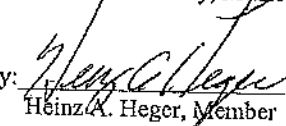
WITNESS:

DECLARANT:

Valley Land and Development, LLC,  
a Maryland limited liability company

By:  (SEAL)  
Ronald N. Starkey, Member

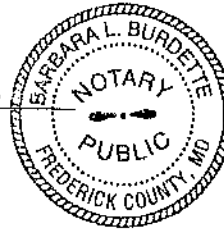
By:  (SEAL)  
Heinz A. Heger, Member

STATE OF MARYLAND, COUNTY OF FREDERICK, TO WIT:

I HEREBY CERTIFY that on this 4th day of May, 2001, before me, the Subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Ronald N. Starkey, Member of Valley Land and Development, LLC and he did acknowledge the foregoing Declaration of Covenants, Conditions, Restrictions and Easements to be the act and deed of Valley Land and Development, LLC, as its Member.

WITNESS my hand and Notarial Seal.

Barbara L. Burdette  
NOTARY PUBLIC



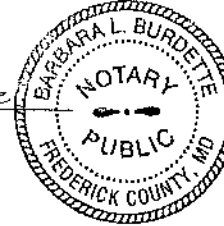
My Commission Expires: 06-01-2004

STATE OF MARYLAND, COUNTY OF FREDERICK, TO WIT:

I HEREBY CERTIFY that on this 4th day of May, 2001, before me, the Subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Heinz A. Heger, Member of Valley Land and Development, LLC and he did acknowledge the foregoing Declaration of Covenants, Conditions, Restrictions and Easements to be the act and deed of Valley Land and Development, LLC, as its Member.

WITNESS my hand and Notarial Seal.

Barbara L. Burdette  
NOTARY PUBLIC



My Commission Expires: 06-01-2004

This instrument has been prepared under the supervision of the undersigned, an Attorney duly admitted to practice before the Court of Appeals of Maryland.

Walter C. Martz, II, Attorney

RECORDING FEE	20.00
IMP FD SURE F	5.00
TOTAL	25.00
Acct 1001	ACCT # 74014
LN 50	LN # 566
Jun 06, 2001	05:32 PM

*EXHIBIT "A"*

All those lots or parcels of land situate, lying and being in Washington County, Maryland and more particularly described as follows:

Lots 3, 4, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21 and 22, as shown on the subdivision plat entitled "Final Plat of Subdivision of Lots 3, 4, 6 and through 22, Valley Ridge Estates" recorded in Washington County Plat Folio 6531.

BEING all and the same real estate which was conveyed unto Valley Land and Development, LLC, a Maryland limited liability company, by Deed from Edith H. Shaffer dated February 15, 2001, and recorded among the Land Records of Washington County, Maryland in Liber 1630, folio 800.