



MAYOR

Brian K. Grim

CITY ADMINISTRATOR

Jeff Rhodes

CITY SOLICITOR

Michael Scott Cohen

COUNCIL

Seth D. Bernard

David Caporale

Richard J. Rock" Cioni

Eugene T. Frazier

CITY CLERK

Marjorie A. Woodring

MINUTES

DATE: December 5, 2017

I. Closed Session

1. 5:45 p.m. - Convene in open session for the purpose of closing the meeting for an Executive Session pursuant to Section 3-305(b)(9) of the General Provisions Article of the Annotated Code of Maryland to discuss issues pertaining to negotiations with the IAFF Local #1715

Motion to move into closed session was made by Caporale, seconded by Bernard, and passed on a vote of 4-0 with Councilman Frazier being absent at the time of vote.

2. Executive Session

II. Open Session

1. 6:15 p.m. - Reconvene into Open Session

III. Pledge of Allegiance

IV. Roll Call

PRESENT: Mayor Brian K. Grim; Council Members Seth Bernard, David Caporale, Richard J. "Rock" Cioni, Eugene Frazier

ALSO PRESENT: Jeffrey D. Rhodes, City Administrator; Michael S. Cohen, City Solicitor; Donald Dunn, Fire Chief; Charles Hinnant, Chief of Police; Marjorie Woodring, City Clerk

V. Statement of Closed Meeting

1. Summary Statement of Closed Meeting

Mayor Grim announced that a Closed Session had been held on Tuesday, December 5, 2017 at 5:45 p.m. and read into the record a summary of that session, which is attached hereto and made a part of these minutes as required under Section 3-306(c)(2) of the General Provisions Article of the Annotated Code of Maryland.

(A) Public Works

1. Maintenance Division monthly report for October, 2017.

Motion to approve the report was made by Caporale, seconded by Bernard, and was passed on a vote of 5-0.

VI. Approval of Minutes

1. Approval of the Regular Session Minutes of November 21, 2017

Motion to approve the Minutes was made by Caporale, seconded by Bernard, and was passed on a vote of 5-0.

VII. Approval of Minutes

1. Approval of the Closed Session Minutes of November 7, 2017

Motion to approve the Minutes was made by Caporale, seconded by Bernard, and was passed on a vote of 5-0.

VIII. Public Hearings

1. Public Hearing to receive comment on a proposed Zoning Text Amendment #1206 to amend Section 6.02- Use Regulation Table of the Zoning Ordinance to permit general restaurants and fast-food restaurants without drive-thru service as permitted uses within R-O zoning districts; and to permit fast-food restaurants with drive-thru service as a conditional use in R-O zoning districts

Mayor Grim convened the Public Hearing at 6:19 p.m.

Jeff Rhodes discussed details of the proposed zoning amendment. The Planning and Zoning Commission had also held their required public hearing on the matter and had approved a resolution recommending approval to the Mayor and City Council. Residential/Office (R/O) Zones are usually transitional areas between residential and business areas and the Commission felt it was reasonable to allow restaurants, under certain conditions, to accommodate joint uses in those areas. The current regulations of the R/O Zone do not allow for this, however; therefore, pending the consensus of Council, an Ordinance would be prepared to make the changes noted to accommodate such uses.

Mayor Grim opened the floor for public comment.

Upon questioning from Council, Mr. Rhodes provided a map showing the areas currently zoned R/O that would be affected by the amendment. He stated that interest in the amendment had been shown in the area off the Interstate near where the new hotel was being built, and also in a commercial complex in the Seton Drive area. Drive-through uses would have to go to the Board of Zoning Appeals to allow public input and allow the Board to consider where any limitations or restrictions should be applied to a permitted use.

With no further comments, Mayor Grim adjourned the Public Hearing at 6:25 p.m.

(A) Ordinances

1. Ordinance (*1st, 2nd, and 3rd readings*) - to repeal and reenact Section 2-175 of the City Code to allow for the sole source purchase of used equipment and equipment that qualifies as new but which is older than the most current model year

Mr. Rhodes introduced the Ordinance and advised that the current Code language did not allow the City the option to purchase a new vehicle that was a "demo" model, which normally can be acquired for less money than a "new" vehicle. The proposed Code changes would allow the City the flexibility to take advantage of good deals and save money. Staff was asking for three readings of the Ordinance tonight to allow the changes to be made in a timely manner to allow for the purchase of a demo model that was available.

FIRST READING: The Ordinance was presented in title only for its first reading. Motion to approve the reading and move to the second was made by Caporale, seconded by Cioni, and was passed on a vote of 5-0.

SECOND READING: The Ordinance was presented in title only and the reading was interrupted and motion made to suspend the reading and move to the third after comment was made by Caporale, seconded by Cioni, and was passed on a vote of 5-0.

Mayor Grim called for questions or comments. Being none, the Ordinance proceeded to its final reading.

THIRD READING: The Ordinance was presented in title only and was approved on a vote of 5-0.

ORDINANCE NO. 3827

(B) Orders (Consent Agenda)

Mr. Rhodes provided background on each item on the Consent Agenda and Mayor Grim entertained questions or comments. Motion to approve Consent Agenda Items 1-5 was made by Caporale, seconded by Bernard, and was passed on a vote of 5-0.

1. Order authorizing the City Administrator and the Chief of Police to accept a Department of Justice COPS Hiring Program Grant in the amount of \$375,000 for the period of November 1, 2017 - October 31, 2021 to provide funds to help pay three (3) police officers' salaries on a sliding scale over a four-year period, with the City's share being 15%, 20%, 65%, and 100% respectively

ORDER NO. 26,215

2. Order accepting the recommendation of the City Comptroller to transfer the City's operating checking and savings accounts from BB&T to First United Bank & Trust and authorizing the Mayor, City Administrator, and City Comptroller to sign documentation necessary for the transfer

ORDER NO. 26,216

3. Order authorizing the acceptance of the donation of a Deed to transfer property at 850 Sperry Terrace (Tax Acc. Nos. 06-014550 and 06-014569) from Jacqueline VanMeter to the

City and authorizing the execution of a Donation Agreement pertaining to this donation

ORDER NO. 26,217

4. Order authorizing the execution of a Purchase Agreement with Fannie Mae for property and improvements at 536 Maryland Avenue (Tax Account No. 22-006290) for the total purchase price of \$5,500; authorizing acceptance of the deed effecting the transfer provided settlement contingencies are met; and granting the City Solicitor and City Administrator the authority to execute documents for the transfer

ORDER NO. 26,218

5. Order authorizing the City Solicitor to submit a claim on behalf of the City relative to a Settlement that has been reached with Citibank in a class action lawsuit about the price-fixing and manipulation of the London Interbank Offered Rate (LIBOR)

ORDER NO. 26,219

(C) Letters, Petitions

1. Letter from Steven J. Kesner, President/CEO of The Cumberland Housing Group (CHG), requesting that City-owned properties at 32 Virginia Avenue, 34 Virginia Avenue, 321/323 Pennsylvania Avenue, and 325 Pennsylvania Avenue be transferred to CHG for use in their Cumberland Housing Revitalization Program, designed to remove blighted properties and replace them with affordable homes

Mr. Rhodes advised that the City had been working on a partnership with the Cumberland Housing Group for sometime. He recommended that Council provide consent to move forward on the project, which would help bring better properties back into the tax base.

The Mayor and Council expressed support of the project and provided consensus to move forward with the transfer of the requested properties.

IX. Public Comments

All public comments are limited to 5 minutes per person

1. All public comments are limited to 5 minutes per person.

There was comment from one individual, who wished to remain anonymous, regarding concerns with a property management company. Mr. Cohen advised that the issues were matters that needed to be resolved between the tenant and landlord.

X. Adjournment

With no further business at hand, the meeting adjourned at 6:41 p.m.

Minutes approved on February 6, 2018.

Mayor Brian K. Grim

ATTEST: Marjorie A. Woodring, City Clerk



Regular Council Agenda
December 5, 2017

Description

5:45 p.m. - Convene in open session for the purpose of closing the meeting for an Executive Session pursuant to Section 3-305(b)(9) of the General Provisions Article of the Annotated Code of Maryland to discuss issues pertaining to negotiations with the IAFF Local #1715

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)



Regular Council Agenda
December 5, 2017

Description

Executive Session

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)



Regular Council Agenda
December 5, 2017

Description

6:15 p.m. - Reconvene into Open Session

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)



Regular Council Agenda
December 5, 2017

Description

Summary Statement of Closed Meeting

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Mayor and City Council of Cumberland

Closed Session Summary

Tuesday, December 5, 2017 at 5:45 p.m.

Second Floor Conference Room, City Hall

On Tuesday, December 5, 2017, the Mayor and City Council met in closed session at 5:45 p.m. in the second floor conference room of City Hall to discuss issues pertaining to negotiations with the IAFF Local #1715.

Persons in attendance included Mayor Brian Grim; Council Members Seth Bernard, David Caporale, Richard J. Cioni, Jr., and Eugene Frazier; City Administrator Jeff Rhodes, City Solicitor Mike Cohen, Fire Chief Donald Dunn, and City Clerk Marjorie Woodring. On a motion made by Councilman Caporale and seconded by Councilman Bernard, Council voted 4-0 to close the session with Councilman Frazier being absent at the time of vote. No actions were voted upon and the meeting was adjourned at 6:14 p.m.

Authority to close the session was provided by the General Provisions Article of the Annotated Code of Maryland, Section 3-305 (b) (9).



Brian K. Grim, Mayor

Entered into the public record on December 5, 2017

MAINTENANCE DIVISION REPORT
October 2017

Street Maintenance Report

Parks & Recreation Maintenance Report

Fleet Maintenance Report

**PUBLIC WORKS/MAINTENANCE
STREET BRANCH
MONTHLY REPORT
OCTOBER 2017**

- **POTHOLES AND COMPLAINTS**
 - Potholed 10 Streets and Alleys using 11 tons of HMA.

- **UTILITY HOLE REPAIR**
 - Completed 13 Water Utility Hole Repairs and 3 Sewer Utility Holes using 10 CY of Concrete and 19 tons of HMA.

- **TRAFFIC CONTROL SIGNS/STREET NAME SIGNS**
 - Installed/Repaired 15 Traffic Control Signs.
 - Installed 2 HC signs
 - Removed 1 HC Signs.
 - Painted 9 curbs 1 of which being an entire street

- **STREET SWEEPING**
 - Swept for 68 hours or about 652 curb miles (approx. 156 cubic yards of debris).
 - Hauled 9 tons of sweeper dumps to landfill.

- **MISCELLANEOUS**
 - Completed traffic and no parking setups for GACR and the Halloween Parade
 - Cleaned the Baltimore Street underpass 4 times and McMullen Bridge once.
 - Brush and tree work 18 areas
 - Completed 3 dead animal removals

STREET MAINTENANCE - OCTOBER 2017		Oct. 2-6	Oct. 9-13	Oct. 16-20	Oct. 23-27	Oct. 30-31	TOTAL
SERVICE REQUEST COMPLETED							0
PAVING PERFORMED	TONS						0
CONCRETE WORK	CY						0
UTILITY HOLES REPAIRED	WATER	2	1	4	4	2	13
	SEWER	1				2	3
	CY	7.00		1.25	0.50	1.00	10
	TONS	2.5	1.0	3.5	5.5	6.5	19
POTHoles FILLED	STREETS	3			3	2	8
	ALLEYS	1			1		2
	DAYS	2			3	1	6
	Cold Mix						0
	TONS	3.0			6.0	2.0	11
PERMANENT PATCH	CY						0
	TONS						0
COMPLAINTS COMPLETED							0
	CY						0
	TONS						0
TRAFFIC CONTROL SIGNS REPAIRED/INSTALLED			7		7		14
STREET NAME SIGNS REPAIRED/INSTALLED			3		3		6
HANDICAPPED SIGNS REPAIRED/INSTALLED/REMOVED							0
							0
					3		3
PAINTING PERFORMED	BLUE				3		3
	YELLOW						0
	RED		6				6
PAVEMENT MARKINGS INSTALLED	No.						0
STREET CLEANING	LOADS	8	8	17	17		50
	HOURS	10	25	16	18		68
SWEEPER DUMPS HAULED TO LANDFILL	TONS				6.9	2.5	9
SALT BARRELS - PICK UP	DAYS						0
CLEANED BALTIMORE ST. UNDERPASS		1	1	1	1		4
CLEAN SNOW EQUIPMENT	Days						0
BRUSH REMOVAL/TREE WORK	Days	4	2	4			10
Check Drains/Clean Debris	DAYS						0
LEAF PICK UP	Loads				2	1	3

Worked on GACR

Worked on foundation work for flood control building

Worked on Halloween Parade

Finished up Eastern Avenue Paving (Punch List)

Began leaf collection

**PUBLIC WORKS/MAINTENANCE
PARKS & RECREATION
MONTHLY REPORT
OCTOBER 2017**

- Constitution Park
 - Cleaned up garbage, bathrooms and pavilions 3 time/week.
 - Cut grass in Park and Long Field.
 - Began Winterizing bathrooms

- Mason Complex
 - Cleaned up garbage 3 time/week.
 - Lined Fields as per schedule.
 - Maintained football and soccer fields as per schedule.
 - Cut grass.

- Abrams, Cavanaugh and JC
 - Cleaned up garbage and bathrooms 3 time/week.
 - Cut grass.
 - Maintained and lined Abrams, JC and Cavanaugh Fields as per schedule.

- Miscellaneous Work
 - Continue to maintain, cut grass and pick up garbage at Playgrounds, Parklets and other areas.
 - Worked Halloween Parade
 - Concentrated on Cleaning up Centre Street Playground
 - Set up stage and assisted with Governor's visit
 - Began winterizing unused fields

Parks & Recs Field Work

October 2017

	Line	Drag	Spike
Flynn	2	4	
		3	
Nonneman	4		
Northcraft	4		
Bowers FB	3		
Galaxy FF	4		
United	0		
Nonneman SF	2		
Long	2		
Cavanaugh	4		
JC	1		
Abrams	0		
Nonneman Jr	2		
Northcraft SF	2		
Bower SF	0		

Parks and Rec Mowing Areas October 2017

Location	Times cut
Abrams Field	0
JC Field	1
Valley St Parklet	1
Fairmont	1
Ridgedale	1
Springdale	1
Smith Park	1
Vets Park	1
Washington Headquarters	2
Sun Dial	2
Pine Ave	1
Lucy's Park	0
Old HRDC	1
Mullen	0
14 Somerville (rear)	1
Evitts Creek	0
Boat Ramp	2
Rolling Mills Parklet	1
224-226 Cecelia St	1
404-406-414 Park St	1
513-529 Maryland Ave	1
Emily St dead end	1
Louisiana Ave (Hartley's)	0
Pear St	1
Centre St Playground	1
Municipal Center	0
Mason's Sports Complex	2
Pistol Range	2
Cavanaugh Field	1
Long Field	2
Constitution Park	1

Fleet Maintenance

October 2017

Total Fleet Maintenance Projects	147
Street Maintenance	26
Snow Removal	0
DDC	0
CPD	28
Water Distribution	12
P & R Maintenance	5
CFD	24
Sewer	9
Code Enforcement	3
Flood	1
PIP	0
WWTP	1
Engineering	4
Facility Maintenance	0
Fleet Maintenance	0
Central Services	1
Municipal Parking	2
Public Works	5
Water Filtration	0
Small Engine Repairs	0
Scheduled Preventive Maintenance	24
Field Service Calls	2
Total Work Orders Submitted	62
Risk Management Claims	1
Fork Lift Inspections	1



Regular Council Agenda
December 5, 2017

Description

Maintenance Division monthly report for October, 2017.

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)



MAYOR
Brian K. Grim

CITY ADMINISTRATOR
Jeffrey D. Rhodes

CITY SOLICITOR
Michael Scott Cohen

COUNCIL
Seth D. Bernard
David J. Caporale
Richard J. Cioni, Jr.
Eugene T. Frazier

CITY CLERK
Marjorie A. Woodring

MINUTES

MAYOR AND CITY COUNCIL OF CUMBERLAND
City Hall Council Chambers
Room 212
6:15 p.m.

DATE: 11/21/17

***Pledge of Allegiance**

I. ROLL CALL

PRESENT: Brian K. Grim, President; Council Members David Caporale, Richard Cioni, and Eugene Frazier

ABSENT: Councilman Seth Bernard

ALSO PRESENT: Jeffrey D. Rhodes, City Administrator; Michael S. Cohen, City Solicitor; Charles Hinnant, Chief of Police; Donald Dunn, Fire Chief; Marjorie Woodring, City Clerk / Assistant City Administrator

II. CERTIFICATES, AWARDS AND PRESENTATIONS

(A) Presentation from Janet Wunderlick regarding proposed changes to parking in the downtown

Ms. Janet Wunderlick discussed a parking proposal for Downtown Cumberland as submitted by the Center City Neighborhood Association. She provided an overview of the policy objectives and discussed recommendations to reduce fines from \$25 per violation to \$10, reduce the 30-day late penalty from \$55 to \$25, and provide the ability to pay \$5 for a fine if paid within 24 hours. Additional recommendations discussed included parking permits for free long-term parking under I-68, reorganization of the Cumberland Arms parking lot, reduction in times zones, improvements for parking signage, converting the south side of Pershing Street to 30-minute timed spaces, and implementing a periodic parking review.

Ed Mullaney discussed that the perception that there was no parking downtown for the businesses created a problem and made several recommendations for the establishment of more surface lot parking.

Mayor Grim stated that Council would review all the recommendations made and consider what steps may need to be taken.

- (B) Presentation on the Cumberland Blight Action Plan from Katherine Garvey, Director of the Land Use and Sustainable Development Clinic of the WVU College of Law

Ms. Katherine Garvey provided background on the WVU Law Clinic and their experience in working with towns and cities in West Virginia to help them develop tools and plans for dealing with dilapidated buildings. She discussed that the City had contracted with the WVU Law Clinic and Downstream Strategies to help identify and prioritize blighted properties in Cumberland and provided details of the timeline for the project. She further discussed details of the GIS mapping tools that would be used to gather data on the approximate 11,000 properties in the city and the manner in which that data would be used to prioritize and categorize neglected properties, allow for the overlay of other mapping zones, and assist with the development of a comprehensive plan to address blighted properties. Ms. Garvey noted that surveyors would be in town within the next week or two to begin the data gathering.

III. DIRECTOR'S REPORT

(A) Police

1. Police Department monthly report for October, 2017

Item Action: Approved

Motion to approve the report was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

(B) Fire

1. Fire Department monthly report for October 2017

Item Action: Approved

Motion to approve the report was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

(C) Administrative Services

1. Administrative Services monthly report for September, 2017

Item Action: Approved

Motion to approve the report was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

(D) Public Works

1. Utilities Division & Central Services monthly report for October, 2017

Item Action: Approved

Motion to approve the report was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

IV. APPROVAL OF MINUTES

(A) Routine

1. Approval of the Regular Session minutes of November 7, 2017

Item Action: Approved

Motion to approve the minutes was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

V. UNFINISHED BUSINESS

(A) Orders

1. Order appointing Eugene T. Frazier to the Affirmative Action Committee effective this date

Mr. Rhodes reviewed the Order and Mayor Grim called for questions or comments.

Motion to approve the Order was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

ORDER NO. 26,212

VI. NEW BUSINESS

(A) Resolutions

1. Resolution authorizing 2018-2019 state and local tax credits for certain businesses located in the Gateway Enterprise Zone

Mr. Rhodes provided background on the Resolution. Mayor Grim called for questions or comments.

The Resolution was read in Title only. Motion to approved the Resolution was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

RESOLUTION NO. R2017-11

(B) Orders (Consent Agenda)

Item Action: Approved

Mr. Rhodes reviewed each item on the Consent Agenda and Mayor Grim called for questions or comments.

Motion to approve Consent Agenda Items 1-2 was made by Caporale, seconded by Cioni, and was passed on a vote of 4-0.

1. Order accepting the proposal of GeographIT, a division of EBA Engineering, for the "Collection Systems Asset Management Project" (19-15-M) in the estimated not-to-exceed amount of \$70,000

ORDER NO. 26,213

2. Order accepting the sole source proposal from LB Water Services, Inc. to provide software services to update the current Sensus MDM meter reading system to the Sensus SAAS cloud-based system for the yearly amount not-to-exceed \$56,785

ORDER NO. 26,214

VII. PUBLIC COMMENTS

All public comments are limited to 5 minutes per person

Julianne Hagan, 101 S. Centre Street, stated she was a member of the Center City Neighborhood Association and supported the proposals presented this evening by Ms. Wunderlick and Mr. Mullaney. As a downtown resident, she fully supported the proposal to give residents a discount on their parking. Additionally, Ms. Hagan thanked Lt. Burt of the Cumberland Police Department for his quick response to an issue regarding buses on Pershing Street.

Wayne Hedrick, 206 Oak Street, questioned whether the original bond for the downtown mall had been repaid. He was advised that it had been repaid and that the revenue generated from the special taxing district tax was \$180,000 yearly. He questioned whether the Mayor and Council had plans to reduce that tax to help the business in downtown. Mr. Rhodes advised that the Mayor and Council had plans to hold a work session in the near future to discuss about the downtown.

Mayor Grim invited all to join him on the downtown mall on Friday for the annual tree lighting ceremony, which would begin at 6:00 p.m.

VIII. ADJOURNMENT

With no further business at hand, the meeting adjourned at 7:09 p.m.

Minutes approved on _____

Brian K. Grim, Mayor _____

ATTEST: Marjorie A. Woodring, City Clerk _____



Regular Council Agenda
December 5, 2017

Description

Approval of the Regular Session Minutes of November 21, 2017

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Mayor and City Council of Cumberland

Closed Session Minutes

City Hall, 57 N. Liberty Street, Cumberland, MD 21502

Second Floor Conference Room

Tuesday, November 7, 2017

5:00 p.m.

PRESENT: Brian K. Grim, President; Council Members Seth Bernard, David Caporale, Richard Cioni, and Eugene T. Frazier

ALSO PRESENT: Jeffrey Rhodes, City Administrator; Michael Cohen, City Solicitor; John DiFonzo, City Engineer; Marjorie Woodring, City Clerk

MOTION: Motion to enter into closed session to discuss legal issues relative to CSX bridge repairs and to discuss issues pertaining to negotiations with the IAFF Local #1715 was made by Councilman Frazier, seconded by Councilman Caporale, and was passed on a vote of 5-0.

Annotated Code of Maryland, State Government

- Section 10-508 (a) (7) – To consult with counsel to obtain legal advice on a legal matter;
- Section 10-508 (a) (9) – to conduct collective bargaining negotiations or consider matters that relate to negotiations

Minutes approved: _____

Brian K. Grim, Mayor _____



Regular Council Agenda
December 5, 2017

Description

Approval of the Closed Session Minutes of November 7, 2017

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Resolution

A RESOLUTION RECOMMENDING APPROVAL OF A ZONING TEXT AMENDMENT FROM THE MUNICIPAL PLANNING AND ZONING COMMISSION TO THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND.

WHEREAS, the City Administrator of the City of Cumberland applied for a zoning text amendment as provided for in Section 15 of the City of Cumberland Zoning Ordinance #3607; and

WHEREAS, the zoning text amendment would amend Section 6.02 Use Regulation Table in the Zoning Ordinance #3607; and

WHEREAS, the amendment would permit **RESTAURANTS, GENERAL** and **RESTAURANTS, FAST-FOOD, WITHOUT DRIVE THRU SERVICE** as “permitted” (P) uses within R-O zoning districts; and

WHEREAS, the amendment would further allow **RESTAURANTS, FAST-FOOD, WITH DRIVE THRU SERVICE** as a “conditional” (C) use within R-O zoning districts; and

WHEREAS, the Municipal Planning and Zoning Commission conducted a public hearing and unanimously voted in favor of the proposed amendment on October 16, 2017

NOW, THEREFORE, BE IT RESOLVED, that the Municipal Planning and Zoning Commission of the City of Cumberland, hereby recommend approval of the proposed amendment to the Mayor and City Council of Cumberland, Maryland.

GIVEN UNDER MY HAND THIS SEVENTEENTH DAY OF OCTOBER, IN THE YEAR TWO THOUSAND AND SEVENTEEN, DULY ATTESTED BY THE ASSISTANT TO THE CITY CLERK.

By: 

Ben Wolters, Chairman
Municipal Planning and Zoning Commission

Attest: 

Sherri Nicol
Assistant to the City Clerk

Public Notice

Public hearing – December 5, 2017

Zoning Text Amendment to permit certain restaurants in the R-O Zone

PUBLIC NOTICE

**CITY OF CUMBERLAND, MARYLAND
LEGAL NOTICE**

The Mayor and City Council of the City of Cumberland, will hold a public hearing to consider a Resolution recommending approval of a Zoning Text Amendment from the Municipal Planning and Zoning Commission. The City Administrator of the City of Cumberland applied for a Zoning Text Amendment as provided for in Section 15 of the City of Cumberland Zoning Ordinance #3607. The proposed Zoning Text Amendment would amend Section 6.02 Use Regulation Table in the Zoning Ordinance #3607 to permit **RESTAURANTS, GENERAL AND RESTAURANTS, FAST-FOOD, WITHOUT DRIVE THRU SERVICE** as "permitted" (P) uses within R-O Zoning Districts; and to permit **RESTAURANTS, FAST-FOOD, WITH DRIVE THRU SERVICE** as a "conditional" (C) use within R-O Zoning Districts. The Municipal Planning and Zoning Commission conducted a public hearing and unanimously voted in favor of the proposed amendment on October 16, 2017.

A copy of the applicant's proposed Zoning Text Amendment, including the justification for the request are on file and available for the public to view at the City of Cumberland Department of Community Development, Lower Level, City Hall, 57 N. Liberty Street, Cumberland, MD during normal business hours (Monday-Friday, 8:00 a.m. – 4:00 p.m.).

The Mayor and City Council, pursuant to Section 15.04.07 of the City of Cumberland Zoning Ordinance #3607, will hold the **Public Hearing on Tuesday, December 5, 2017**, at 6:15 p.m in the City Hall Council Chamber, 57 N. Liberty Street, Cumberland, Maryland. At the hearing, citizens will have the opportunity to participate in the hearing and offer support or opposition of the proposed amendment.

**INTERESTED PARTIES SHOULD
ATTEND THIS HEARING**

Adv.: November 20, 2017 and November 27, 2017.



Regular Council Agenda
December 5, 2017

Description

Public Hearing to receive comment on a proposed Zoning Text Amendment #1206 to amend Section 6.02- Use Regulation Table of the Zoning Ordinance to permit general restaurants and fast-food restaurants without drive-thru service as permitted uses within R-O zoning districts; and to permit fast-food restaurants with drive-thru service as a conditional use in R-O zoning districts

Approval, Acceptance / Recommendation

The Cumberland Planning & Zoning Commission has reviewed this request and voted during their October 17, 2017 meeting to recommend that the Mayor and City Council approve the Zoning Text Amendment by way of the attached Resolution.

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

ORDINANCE NO. _____

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, ENTITLED "AN ORDINANCE TO REPEAL AND REENACT, WITH AMENDMENTS, SECTION 2-175 OF THE CODE OF THE CITY OF CUMBERLAND (1991 EDITION) PERTAINING TO PURCHASES OF SUPPLIES, MAINTENANCE/REPAIR CONTRACTS, PROFESSIONAL SERVICE CONTRACTS AND EQUIPMENT FOR THE PURPOSE OF ALLOWING SOLE SOURCE PURCHASES OF USED EQUIPMENT AND EQUIPMENT THAT QUALIFIES AS NEW BUT WHICH IS OLDER THAN THE MOST CURRENT MODEL YEAR."

SECTION 1: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, that sections 2-171 of the Code of the City of Cumberland (1991 Edition), be and is hereby repealed and reenacted to read as follows: [NOTE: A text edited version showing the changes made is attached hereto as Exhibit A.]

Sec. 2-171. - Purchases of supplies, maintenance/repair contracts, professional service contracts and equipment.

- (a) *Purchases requiring bidding.* All purchases of supplies, maintenance/repair contracts, professional service contracts or equipment, the purchase price of which exceeds twenty-five thousand dollars (\$25,000.00), shall be made only after competitive bidding has been invited, except as otherwise set forth in this section.
- (b) *Purchases not requiring bidding.*
 - (1) *Purchases for \$500.00 or less.* All purchases of supplies, maintenance/repair contracts, professional service contracts or equipment the purchase price of which is five hundred dollars (\$500.00) or less shall be made upon requisition of the department head if funds are available in an approved budget.
 - (2) *Purchases from \$501.00 to \$5,000.00.* All purchases of supplies, maintenance/repair contracts, professional service contracts or equipment costing five hundred one dollars (\$501.00) or more but less than or equal to five thousand dollars (\$5,000.00) shall be made upon requisition of the department head if funds are available in an approved budget. It shall be the department head's responsibility to ensure the selection of a vendor

that can meet the specifications required for the purchase at the lowest cost.

- (3) *Purchases from \$5,001.00 to \$25,000.00.* All purchases of supplies, maintenance/repair contracts, professional service contracts or equipment costing five thousand one dollars (\$5,001.00) or more but less than or equal to twenty-five thousand dollars (\$25,000.00) may be made only after requests for quotations of price are made and, if received from suppliers of the supplies or equipment to be purchased, reviewed and approved by the appropriate department head. Where possible, quotations shall be requested from at least three (3) suppliers. Such purchases shall be made upon requisition of the department head if accounted for in an approved budget, or with the concurrence of the city administrator if the purchase is not a specific budget item.
- (c) *Sole source purchases.* sole source purchases include the purchases of supplies, maintenance/repair contracts, professional service contracts and equipment in circumstances where (i) there is a need for standardization or interchangeability of parts with respect to the city's machinery or equipment, (ii) the maintenance/repair contracts, professional service contracts or equipment is available only through a sole source or a source that has significant familiarity with the city resource for which the purchase is sought, (iii) the purchase is required for emergency use, (iv) through joint efforts with other agencies, such as those of the state, county and board of education, the city is able to take advantage of bulk purchase pricing and special sales opportunities, or (v) the purchase of used equipment or a piece of equipment of a model year which is older than the most current year model available for purchase in the marketplace, provided in either case, that the equipment is deemed to be adequate for its intended purpose.
- (1) The terms of subsection (c) do not apply to sole source purchases costing five thousand dollars (\$5,000.00) or less. Such purchases shall be subject to subsections (b)(1) and (b)(2) of this section except that all such purchases shall be reported to the mayor and city council.
 - (2) Sole source purchases costing more than five thousand dollars (\$5,000.00) but less than or equal to twenty-five thousand dollars (\$25,000.00) may be made upon requisition of the department head, funding approval of the comptroller, and final approval by the city administrator. All such purchases shall be reported to the mayor and city council. The requirements relative to obtaining quotes from at least three (3) suppliers as is set forth in subsection (b)(3) may be waived in the discretion of the city administrator.
 - (3) Sole source purchases costing more than twenty-five thousand dollars (\$25,000.00) may be made upon requisition of the department head, funding approval of the comptroller, and approval by the city administrator with final approval by the mayor and city council. Competitive bidding in such cases may be waived in the discretion of the mayor and council.
- (d) *Professional service contracts.* For purposes of this section, professional service contracts do not include employment or independent contractor contracts for positions or offices with the city which are identified in the city charter.

- (e) *Purchase orders.* with the exception of purchases for emergency repairs, postage, expense accounts, utilities and insurance, all purchases of supplies, maintenance/repair contracts, professional service contracts and equipment costing more than five hundred dollars (\$500.00) shall be accompanied by purchase orders which shall be submitted to the city comptroller.
- (f) *Purchasing policy abrogated.* In that the terms of the city's existing purchasing policy have been modified and fully integrated into the terms of sections 2-171 to 2-174 of this code, the said purchasing policy is hereby abrogated and of no further force and effect.

SECTION 2: AND BE IT FURTHER ORDAINED, that this Ordinance shall take effect from the date of its passage.

Passed this ____ day of _____, 2017.

Brian K. Grim, Mayor

ATTEST:

Marjorie A. Woodring, City Clerk

EXHIBIT A



Regular Council Agenda
December 5, 2017

Description

Ordinance (*1st, 2nd, and 3rd readings*) - to repeal and reenact Section 2-175 of the City Code to allow for the sole source purchase of used equipment and equipment that qualifies as new but which is older than the most current model year

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

- ORDER -
of the
Mayor and City Council of Cumberland
MARYLAND

ORDER NO. _____

DATE: December 5, 2017

ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT, the City Administrator and the Chief of Police be and are hereby authorized to accept a 2017 Department of Justice COPS Hiring Program Grant in the estimated amount of Three Hundred and Seventy-five Thousand Dollars and No Cents (\$375,000.00) for the period of November 1, 2017 - October 31, 2021, to provide funds to help pay three (3) police officers' salaries on a sliding scale over a four-year period, with the City's share being 15%, 20%, 65%, and 100% respectively

Mayor Brian K. Grim



Charles Hinnant <charles.hinnant@cumberlandmd.gov>

RE: COPS Hiring Program Award - LE

1 message

Office of Community Policing Services (COPS) <copsdonotreply@service.govdelivery.com>
Reply-To: copsdonotreply@service.govdelivery.com
To: charles.hinnant@cumberlandmd.gov

Mon, Nov 20, 2017 at 1:10 PM



U.S. DEPARTMENT OF JUSTICE
OFFICE OF COMMUNITY ORIENTED POLICING SERVICES
145 N Street, NE, Washington, D.C. 20530

COPS

November
20, 2017

Chief of Police

Charles Hinnant
Cumberland Police Department
20 Bedford Street
Cumberland, MD 21502

Re: COPS Hiring Program Award #2017UMWX0065
ORI #MD00102

Dear Chief of Police Hinnant:

Congratulations! On behalf of Attorney General Jeff Sessions, I am pleased to inform you that the Office of Community Oriented Policing Services (COPS Office) has approved your agency for 3 officer positions under the 2017 COPS Hiring Program (CHP). The estimated amount of federal funds to be awarded to your jurisdiction over the three-year award period is \$375,000.00. Your local cash match will be \$401,358.00. Your agency may use CHP award funding to hire new officers or rehire officers who have been laid off or are scheduled to be laid off on a specific future date, as a result of local budget reductions, on or after the official award start date. Please note that any changes to the awarded hiring categories require an official review and approval by the COPS Office.

To officially accept and begin your CHP award, your agency must access the COPS Office website at www.cops.usdoj.gov and select the Account Access link in the upper-right corner to log in, review, and electronically sign the Award Document (including Award Terms and Conditions) and any special conditions as applicable.

To electronically sign your Award Document, the appropriate Account Roles with E-Signature and User Permissions must be established and assigned in the COPS Office Agency Portal. The Agency Portal Instruction Manual, currently available on the COPS Office website at <http://cops.usdoj.gov/pdf/UserGuide.pdf>, has been enhanced to include a Quick Step Guide. This guide will provide your agency with all of the information needed to successfully establish Account Roles and assign User Permissions in preparation to sign the Award Document, as well as manage many aspects of your CHP award online. Please review and follow these steps carefully as this is the only method for signing your Award Document.

The CHP award start date is **November 1, 2017**. Therefore, your agency can be reimbursed for allowable and approved expenditures made on or after this date. Please be advised that some of your requested items may not have been approved by the COPS Office during the budget review process. When you receive your award package, please carefully review your Financial Clearance Memorandum (FCM) to determine your approved budget, as award funds may only be used for approved items. The FCM will specify the final award amount and will identify any disallowed costs. We strongly encourage you to immediately visit CHP web page at <http://cops.usdoj.gov/Default.asp?Item=2367> and access a supplemental online award package that contains a variety of important and helpful documents that will assist you with the implementation of your award, including the 2016 CHP Award Owner's Manual, which specifies the programmatic and financial terms, conditions, and requirements of your award. Please print out a copy of your application and maintain it with your award file records.

As a reminder, all positions awarded under CHP (or an equal number of veteran officers) must initiate or enhance community policing in accordance with the community policing strategy described within Section 6 of your application. If, for any reason, your agency finds that your community policing strategies have significantly changed from those outlined in your application (e.g., because you received fewer officers than originally requested and thus must alter the scope of your community policing strategies), please revise the strategy accordingly and submit it to the COPS Office for review and approval.

As part of 2017 CHP, your agency will be required to submit quarterly Federal Financial Reports (SF-425) as well as quarterly program progress reports. CHP award recipients should be prepared to track and report CHP funding separately from other funding sources (including other COPS Office and federal awards) to ensure accurate financial and programmatic reporting on a timely basis. Your agency should ensure that you have financial internal controls in place to monitor the use of CHP funding and ensure that its use is consistent with the award terms and conditions.

Also, please remember that CHP award recipients must retain all sworn officer positions funded under the 2017 CHP award for a minimum of 12 months following the 36-month federal funding period. The retained CHP-funded position(s) should be added to your law enforcement budget with state and/or local funds, over and above the number of locally-funded positions that would have existed in the absence of the award. In your 2017 CHP application, your agency was required to affirm that it plans to retain the additional officer positions funded following the expiration of the award, and to identify the planned sources of retention funding. If, during the life of the award, you have questions regarding the retention requirement or your retention funding sources, please contact the COPS Office for assistance.

We look forward to working with your agency in a productive partnership to further your community policing efforts. If you have any questions about your award, please do not hesitate to call your Grant Program Specialist through the COPS Office Response Center at 800-421-6770.

Sincerely,

A handwritten signature in black ink, appearing to read 'Russell Washington'.

Russell Washington
Acting Director

ADVANCING PUBLIC SAFETY THROUGH COMMUNITY POLICING

★

You have received this e-mail because you have asked to be notified of changes to the **Department of Justice's Office of Community Oriented Policing Services (COPS)** website. Update your subscriptions, modify your password or e-mail address, or stop subscriptions at any time on your [Subscriber Preferences Page](#). You will need to use your e-mail address to log in. If you have questions or problems with the subscription service, please contact subscriberhelp.govdelivery.com. If you have questions about the DOJ Office of Community Oriented Policing Services site, please contact tellcops@usdoj.gov.

This email was sent to charles.hinnant@cumberlandmd.gov using GovDelivery Communications Cloud on behalf of: Office of Community Oriented Policing Services (COPS) · 145 N St, NE · Washington, DC 20530 · 800-421-6770



Regular Council Agenda
December 5, 2017

Description

Order authorizing the City Administrator and the Chief of Police to accept a Department of Justice COPS Hiring Program Grant in the amount of \$375,000 for the period of November 1, 2017 - October 31, 2021 to provide funds to help pay three (3) police officers' salaries on a sliding scale over a four-year period, with the City's share being 15%, 20%, 65%, and 100% respectively

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

- Order -
of the
Mayor and City Council of Cumberland
MARYLAND

ORDER NO. _____

DATE: December 05, 2017

ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT, the recommendation of the City Comptroller to transfer the City's operating checking and savings accounts from BB&T to First United Bank & Trust be and is hereby accepted; and

BE IT FURTHER RESOLVED, that the City Comptroller, City Administrator, and Mayor be and are hereby authorized to execute all documentation necessary for this transfer.

Brian K. Grim, Mayor

City of Cumberland – Bank Service Charge Analysis

11/28/2017

The City had been a loyal customer to Susquehanna Bank on Baltimore Street and its predecessor banks for many, many years. In August of 2015 they merged with BB&T which is one of the largest financial services holding companies in the United States. They are based out of Winston-Salem, N.C. and are located in 15 states, in addition to Washington, D.C. There are more than 2,100 BB&T financial centers.

At the time of the merger, BB&T provided special products and prices for Maryland accounts that were converting their accounts from Susquehanna. The fee structure was either close to Susquehanna's fees or in some cases better. However, this special fee structure was only provided for a year.

Due to the increasing fees at BB&T, the Finance Department began to explore other banking institutions. First United Bank & Trust, M&T, and Standard Bank were all approached to offer a presentation of their banking services. These banks all met the City's preference of having a local branch located within the downtown Cumberland area, which is walking distance from City Hall. Standard Bank declined due to the fact they are currently in the process of a merger and management did not feel they could give adequate time to a proposal of this scope. First United Bank & Trust and M&T both provided proposals based on a schedule of banking activities representing a normal month for the City.

The following analysis below provides a comparison of the bank fees for one month (August) from each bank based on actual City of Cumberland banking activity.

Based on this analysis, First United Bank & Trust clearly has the lowest fees. Therefore, after taking into consideration the reputation and solvency of First United Bank and finding both to be satisfactory, Ken Tressler, City Comptroller believes it is in the City's best interest to transfer the City's operating checking and savings accounts from BB&T to First United Bank & Trust.

First United Bank & Trust provides services in Maryland, West Virginia, and Pennsylvania. First United was established in Oakland, MD and acquired Cumberland Savings Bank in 1983. They are FDIC insured. The City will be utilizing the bank's Harrison Street branch for our daily banking needs. First United Bank & Trust is pleased that the City of Cumberland is joining their banking family and look forward to providing the City with our banking needs.

The table below illustrates the bank service charge differences from a recent representative month.

BB&T	\$3,222.31
First United	\$1,578.45
M&T	\$2,270.89
Standard Bank	Not interested at this time



Regular Council Agenda
December 5, 2017

Description

Order accepting the recommendation of the City Comptroller to transfer the City's operating checking and savings accounts from BB&T to First United Bank & Trust and authorizing the Mayor, City Administrator, and City Comptroller to sign documentation necessary for the transfer

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

- Order -
of the
Mayor and City Council of Cumberland
MARYLAND

ORDER NO. _____

DATE: December 05, 2017

ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT, the Mayor be and is hereby authorized to accept the donation of a Deed to transfer property known as 850 Sperry Terrace (Tax Account Nos. 06-014550 and 06-014569) from Jacqueline VanMeter; and

BE IT FURTHER ORDERED, that the Mayor be and is hereby authorized to execute a Donation Agreement by and between the Mayor and City Council of Cumberland and Jacqueline VanMeter a.k.a Jacquelin VanMeter regarding the transfer of said property.

Brian K. Grim, Mayor

DONATION AGREEMENT

THIS DONATION AGREEMENT (“Agreement”), is made by and between **Jacqueline VanMeter AKA Jacquelin VanMeter** ("VanMeter") and the **Mayor and City Council of Cumberland** (the “City”), a Maryland municipal corporation, and is effective upon the date of its completed execution, which date is hereinafter referred to as the “Effective Date.”

RECITALS

WHEREAS, VanMeter is the record title holder of the real property and the improvements thereon located at 850 Sperry Terrace, Cumberland, MD 21502 (the “Property”) which is more particularly described in the deed recorded among the Land Records of Allegany County, Maryland in Book 586, folio 183;

WHEREAS, VanMeter has offered to donate the Property to the City and the City has agreed to accept that donation subject to the terms and conditions of this Agreement; and

WHEREAS, the parties deem the entry into this Agreement to be in their respective best interests.

WITNESSETH:

NOW THEREFORE, in consideration of the sum of \$1.00, in hand paid, the receipt of which is hereby acknowledged, and in consideration of these premises and other good and valuable considerations, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Recitals.** The Recitals set forth above are not merely prefatory. They are incorporated by reference in this Agreement as though they were set forth in full herein.

2. **Donation.** Subject to the terms and conditions of this Agreement, VanMeter agrees to donate the Property together with the buildings and improvements thereon, if any, and the rights, roads, ways, waters, privileges and appurtenances thereunto belonging or in anywise appertaining to the City and the City agrees to accept that donation. The closing for the donation shall be held no later than sixty (60) days from the Effective Date unless said time frame is extended by written agreement of the parties.

3. **Estate/Condition.** The Property shall be conveyed to the City in fee simple and in “AS IS” condition. VanMeter shall convey the Property to the City by means of a deed containing covenants of special warranty and further assurances. Said deed shall be delivered to the City at closing.

4. **Contingencies.** Closing and the City's acceptance of the deed(s) for the Property shall be subject to the following contingencies:

4.1. **Title.** Title to the Property shall be good and merchantable, free of liens and encumbrances except use and occupancy restrictions of public record which are generally applicable to properties in the immediate neighborhood or the subdivision in which the Property is located and publicly recorded easements for public utilities and any other easements which may be observed by an inspection of the Property.

4.2. **No Occupancy/Property Removal.** This Agreement is contingent upon VanMeter delivering the Property to the City free from tenants or inhabitants of any kind. The Property shall not be subject to any written or oral leases or occupancy agreements of any kind. In furtherance of the foregoing, the City shall have the right to conduct a walk-through inspection of the Property within the 48 hours period before settlement.

If, notwithstanding the foregoing, personal property remains in the Property subsequent to closing, it shall be deemed abandoned and the City may dispose of it in any manner it sees fit without any liability therefor.

4.3. **Waiver of Contingencies.** The City may waive any or all of the contingencies set forth in this section or elsewhere in this Agreement.

5. **Appraisal.** VanMeter has the right to have the Property appraised for purposes of claiming a tax deduction for the noncash charitable contribution of the Property to the City. The appraisal shall be performed prior to closing or the date of the City's acceptance of the deed for the Property. Upon delivery of the deed for the Property and the City's acceptance of the same, VanMeter shall provide the City with the appropriate tax documents relative to its eligibility to claim the aforesaid tax deduction, including, but not limited to, IRS Form 8283 and the acknowledgement required under 21 U.S.C. § 170(f)(8)¹. Upon the City's acceptance of the deed and its receipt of the appraisal and the appropriate tax documentation, the City Administrator shall execute the tax documentation on behalf of the City, it being understood and agreed that he is specifically empowered to do so under the terms of this Agreement. It is understood and agreed that the City shall not be required to execute any such documents attesting to the value of the Property in the event such valuation is not supported by an appraisal or

¹ Per 21 U.S.C. § 170(f)(8)(B), the contents of the acknowledgment should include the following information:

- (i) The amount of cash and a description (but not value) of any property other than cash contributed.
- (ii) Whether the donee organization provided any goods or services in consideration, in whole or in part, for any property described in clause (i).
- (iii) A description and good faith estimate of the value of any goods or services referred to in clause (ii) or, if such goods or services consist solely of intangible religious benefits, a statement to that effect.

appraisals performed by a licensed real estate appraiser. Further, VanMeter shall be solely responsible for the preparation and processing of the aforesaid tax documentation as well as its submission to the IRS, and the City shall have no liability relative thereto, even if it provides assistance to VanMeter with respect to such matters.

6. **Risk of Loss.** The Property shall to be held at the risk of VanMeter until legal title has passed to the City.

7. **Possession.** VanMeter agrees to give possession and occupancy of the Property to the City upon the completion of closing.

8. **Timeliness.** Time is of the essence with respect to the provisions of this Agreement.

9. **Transfer Charges/Recording Fees.** The transfer of the Property to the City is exempt from recordation and transfer taxes under Md. Tax Property Code Ann. § 12-108 (A)(1) and 13-207(a)(1). The City shall pay the court fee for the recordation of the deed for the Property.

10. **Real Estate Taxes/Water & Sewer Bills/Municipal Infractions.**

10.1. **Real Estate Taxes.** The City will waive all City real estate taxes due on the Property. It will secure a waiver of the County real estate taxes due or it will pay them.

10.2. **Water & Sewer Bills.** The City will waive all City water and sewer bills presently due on the Property.

10.3. **Municipal Infractions.** All outstanding citations for municipal infractions due to property maintenance or nuisance infractions at the Property shall be withdrawn. If there are any pending court cases for such municipal infractions, they shall be dismissed. If any judgments have been entered for such municipal infractions, they shall be noted as having been satisfied.

11. **Breach of Agreement and Default.** The City and VanMeter are required and agree to make full settlement in accordance with the terms of this Agreement and acknowledge that failure to do so constitutes a breach hereof. If the City fails to make full settlement or is in default due to its failure to comply with the terms, covenants and conditions of this Agreement, VanMeter may pursue any legal or equitable rights which may be available to her. If VanMeter fails to make full settlement or is in default due to her failure to comply with the terms, covenants and conditions of this Agreement, the City is entitled to pursue such rights and remedies as may be available, in law or in equity, including, without limitation, an action for specific performance of this Agreement.

12. Assignability. The City has the unqualified right to convey this Agreement to the Cumberland Economic Development Commission. Otherwise, this Agreement may not be assigned except by written agreement of the parties.

13. Captions. The marginal captions of this Agreement are for convenience and in no way define or limit the intents, rights or obligations of the parties hereunder.

14. Notices. Any notice, request, demand, approval or consent given or required to be given under this Agreement shall, except as otherwise expressly provided herein, be in writing and shall be deemed to have been given when mailed by United States certified mail, postage prepaid, return receipt requested at the address stated below.

To VanMeter:

Jacqueline VanMeter
318 Frederick Street
Cumberland, MD 21502

To the City:

Jeffrey D. Rhodes
City Administrator
City of Cumberland
57 N. Liberty Street
Cumberland, MD 21502

with a copy to:

Michael Scott Cohen, Esquire
213 Washington Street
Cumberland, Maryland 21502

15. Entire Agreement. This Agreement contains the final and entire agreement between the parties, and neither they nor their agents shall be bound by any terms, conditions, statements, warranties or representations, oral or written, not herein contained. The parties to this Agreement mutually agree that it is binding upon them, their heirs, executors, administrators, personal representatives, successors and assigns.

16. Invalidity. If any provision or part of any provision contained in this Agreement shall be found for any reason to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions or the remaining part of any effective provisions of this Agreement, and it shall be construed as if such invalid, illegal, or unenforceable provision or part thereof had never been contained herein, but only to the extent of its invalidity, illegality, or unenforceability.

17. Governing Law. This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of Maryland. It shall be enforceable

with an action commenced in the Circuit Court for Allegany County, Maryland, and the parties hereto agree to be subject to the jurisdiction of such Court and further waive any claim that any action or proceeding arising out of or relating to this Agreement and commenced in such Court is commenced in an inconvenient forum or one that lacks proper venue.

18. Waiver of Jury Trial. THE PARTIES HERETO EACH HEREBY WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO WHICH ANY OR ALL OF THEM MAY BE PARTIES, ARISING OUT OF OR IN ANY WAY PERTAINING TO THIS AGREEMENT. IT IS AGREED THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS. THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE BY THE PARTIES HERETO, AND EACH OF THEM REPRESENT THAT NO REPRESENTATIONS OF FACT OR OPINION HAVE BEEN MADE BY ANY INDIVIDUAL(S) TO INDUCE THIS WAIVER OF TRIAL BY JURY OR TO IN ANY WAY MODIFY OR NULLIFY ITS EFFECT.

19. Gender/Tense/Conjugation. The use of any gender, tense, or conjugation herein shall be applicable to all genders, tenses and conjugations. The use of the singular shall include the plural and the plural shall include the singular.

20. Modification. No modification or waiver by the parties of any of the terms of this Agreement shall be valid unless in writing and executed with the same formality as this Agreement.

21. Joint Drafting. The parties hereto agree that this Agreement reflects the joint drafting efforts of each party, and any ambiguities shall not be construed against either party.

22. Counterparts. This Agreement may be executed in multiple parts, each of which shall be deemed an original and shall have the same binding effect as though a single original was executed by all of the parties hereto. Executed counterparts which are delivered by facsimile or other electronic transmission shall have the same binding effect as would a signed original Agreement once delivered to the other party.

IN WITNESS WHEREOF, the parties have duly executed this Donation Agreement as of the dates set forth below with the specific intention that it constitute an instrument under seal.

WITNESS/ATTEST:

J. D. Bobb

Jacqueline VanMeter (SEAL)
Jacqueline VanMeter

11/21/2017
Date

**MAYOR AND CITY COUNCIL
CUMBERLAND**

Marjorie A. Woodring,
City Clerk

By: _____ (SEAL)
Brian K. Grim, Mayor

date

I HEREBY CERTIFY that the within and foregoing document was prepared by, or under the supervision of, the undersigned, a Maryland attorney.



MICHAEL SCOTT COHEN

THIS DEED, made this 21st day of November, 2017, by and between **Jacqueline VanMeter**, of Allegany County, Maryland, party of the first part, and the **Mayor and City Council of Cumberland**, a Maryland municipal corporation, party of the second part.

WITNESSETH:

That for and in consideration of the sum of Ten Dollars (\$10.00) cash in hand paid and for other good and valuable considerations, the receipt of all of which is hereby acknowledged, the party of the first part does hereby grant, bargain and sell, release, confirm and convey unto the party of the second part, its successors and assigns:

ALL those two lots, pieces or parcels of land lying and being in the City of Cumberland, Election District No. 06, Allegany County, Maryland, and being more particularly described as follows, to-wit:

FIRST PARCEL: Lot 23A as shown on plat of property of Kelly-Springfield Tire Company, Ridgedale Addition, dated October 22, 1923 and recorded in Plat Case Box No. 66, Allegany County Land Records, which said plat is hereby referred to and made a part of this deed.

SECOND PARCEL: All those lots or parcels of land known and designated as Lots Nos. 40 and 41 of The Cumberland Development Company Ridgedale Addition and being more particularly described as follows:

Lot No. 40: BEGINNING for the same at a point on the south side of Sperry Terrace at the end of the first line of Lot No. 39, and running thence with the south side of Sperry Terrace, North 59 degrees 45 minutes East 41 feet, thence at right angles to Sperry Terrace, South 30 degrees 15 minutes East 94.5 feet to the north side of a 15 foot alley, thence with said alley, South 50 degrees 43 minutes West 25.5 feet to the end of the second line of Lot No. 39, thence reversing said second line, North 39 degrees 17 minutes West to the beginning.

Lot No. 41: BEGINNING for the same on the south side of Sperry Terrace at the end of the first line of Lot 40 of said Addition, thence with said side of Sperry Terrace, North 59 degrees 45 minutes East 25 feet, thence at right angles to Sperry Terrace, South 30 degrees 15 minutes East 90.5 feet to the north side of a 15 foot alley, thence with said alley, South 50 degrees 43 minutes West 25.5 feet to the end of the second line of Lot No. 40, thence reversing said second line, North 30 degrees 15 minutes West 94.5 feet to the beginning.

IT BEING the same property described in the deed from Gary A. Duckworth to Richard E. VanMeter and Jacquelin VanMeter, his wife, dated July 8, 1991 and recorded among the Land Records of Allegany County, Maryland in Deed Liber 596, page 183. The first paragraph of the deed

incorrectly spells the party of the first part's name as Jacquelin. The correct spelling of the name is as is set forth below her signature on this deed.

TOGETHER with the buildings and improvements thereon, and the rights, roads, ways, waters, privileges and appurtenances thereunto belonging or in anywise appertaining.

TO HAVE AND TO HOLD the above-described property unto the party of the second part, its successors and assigns in fee simple forever.

AND the said party of the first part, for herself, her personal representatives, heirs and assigns, does hereby warrant specially the title to the above-described property and covenant that she will execute such other and further assurances of the same as may be requisite or necessary.

WITNESS the hand and seal of the party of the first part the day and year first above written.

WITNESS:

J. D. Brown

Jacqueline VanMeter (SEAL)
Jacqueline VanMeter

**STATE OF MARYLAND,
ALLEGANY COUNTY, TO WIT:**

I HEREBY CERTIFY, that on this 21st day of NOVEMBER, 2017, before me, the subscriber, a Notary Public of the State and County aforesaid, personally appeared **Jacqueline VanMeter**, known to me or satisfactorily identified to be the person whose name is subscribed to the within instrument, and did acknowledge that she executed the same for the purposes therein contained; and she further certified under the penalties of perjury that the actual consideration for the foregoing conveyance is \$0.00, and she further made oath in due form of law that this transaction is not subject to the provisions of Section 10-912 of the Tax General Article of the Maryland Annotated Code, as to her as she is a resident of the State of Maryland.

WITNESS my hand and Notarial Seal.

Michael Scott Carter
NOTARY PUBLIC

My Commission Expires: 1/17/21



**THE LAW OFFICE
OF
MICHAEL SCOTT COHEN, LLC**

Michael Scott Cohen
Steven Andrew Trader

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Cumberland, MD 21502
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August 29, 2017

VIA E-MAIL TRANSMISSION ONLY TO:

Jeffrey Rhodes
City Administrator
City of Cumberland
jeff.rhodes@cumberlandmd.gov

Re:	Owner:	Jacqueline VanMeter
	Property:	850 Sperry Terrace, Cumberland, MD 21502
	Deed:	Book 596, Page 183

Dear Jeff:

CERTIFICATE OF TITLE

At your request, we have examined the record title of Jacqueline VanMeter in and to the above-described Property located in Garrett County, Maryland. We carried our examination of the title to the Property from August 1, 1957 through August 24, 2017. A review of the Land Records of Garrett County, Maryland ("Land Records") and other court records was performed for each owner in the chain of title. During this period, we certify that the record title of the Property is good and marketable and free and clear of all liens and encumbrances, with the following exceptions.

Exceptions

1. The Property is subject to the lot lines, setbacks, rights of way, easements and other matters of record set forth in the plat of The Cumberland Development Company's Ridgedale Addition to the City of Cumberland and the plat of Property of Kelly-Springfield Tire Company, Ridgedale Addition.

2. The Property is subject to the conveyance of a portion of the Property by a Deed from George J. Erling and Helen Erling to Battie Mixon, dated January 13, 1943, and recorded among the Land Records in Deed Liber 195, Folio 191 and confirmed by a Confirmatory Deed dated December 16, 1947, and recorded among the Land Records in Deed Liber 218, Folio 399. We recommend that you obtain a survey of the Property to get an accurate metes and bounds description.

3. The Property is subject to the lien of a judgment entered June 14, 2011 against Jacqueline J. VanMeter and in favor of Capital One Bank (USA), N.A. in the amount of \$835.43, plus attorney's fees of \$114.61, and costs of \$68.00, as evidenced by District Court Lien No. 20-D-348.

Real Estate Taxes

The Property consists of two parcels assessed as Tax Account Nos. 06-014550 and 06-014569, respectively. The Allegany County Tax and Utility Office reports that real estate taxes are due and owing for the following tax years in the corresponding amounts:

Account # 06-014550

2017 \$251.36
2018 \$ 65.53

Account # 06-014569

This account is reported as being in tax sale status. This parcel was included in the 2017 Allegany County tax sale, and no bids were received for this parcel.

The City of Cumberland Tax Office reports that real estate taxes are due and owing for the following tax years in the corresponding amounts:

Account # 06-014550

2016 \$236.37
2017 \$ 74.17

Account # 06-014569

2008	\$113.24	2013	\$ 54.32
2009	\$104.60	2014	\$ 47.60
2010	\$ 95.96	2015	\$ 35.18
2011	\$ 86.13	2016	\$ 29.42
2012	\$ 61.04	2017	\$ 26.49

This office is not aware as to the existence or non-existence of any hazardous substance, by whatever name known, as defined either by federal or state law on the Property. This office makes no representations or warranties with respect to the existence or non-existence of any substance of any kind, hazardous or non-hazardous, in, on, under or about the Property. Notice is further given that the presence of any such substance which might be deemed to be hazardous or detrimental by federal, state or local authorities could result in the Property not being capable of being used for the purposes intended, and further, could result in incurring of costs and expenses for remedying any condition found to exist as a result of the presence of said substance, including, but not limited to, legal expenses, removal expenses, engineering expenses, etc. No

inspection of the Property or review of any records has been requested or conducted in this regard.

This certificate extends to surface rights only and is subject to matters of location and survey, matters not of record, easements, rights of way for utilities, public and private roads, state, county, city and other municipal bodies, errors and irregularities in the indices of the records and any other matters that might appear from an inspection of the premises, or any unfiled mechanics' or materialmen's liens. We further express no opinion as to the Property's suitability as a building site or to compliance with health, planning and zoning or other applicable regulations. Also, we have not examined the records in the federal courts, as this requires an examination in Baltimore and is considered unnecessary by local title examiners in cases of this kind. The opinion expressed in this certificate is not intended to be relied upon by anyone other than the addressee and, accordingly, we make no assurances to any third party.

Very truly yours,

MICHAEL SCOTT COHEN, LLC

By: 

Steven Andrew Trader



Regular Council Agenda
December 5, 2017

Description

Order authorizing the acceptance of the donation of a Deed to transfer property at 850 Sperry Terrace (Tax Acc. Nos. 06-014550 and 06-014569) from Jacqueline VanMeter to the City and authorizing the execution of a Donation Agreement pertaining to this donation

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

- Order -
of the
Mayor and City Council of Cumberland
MARYLAND

ORDER NO. _____

DATE: December 05, 2017

ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT the City Administrator be and is hereby authorized to execute a Purchase Agreement by and between the Mayor and City Council of Cumberland ("Buyer") and Fannie Mae ("Sellers") for the property and improvements thereon located at 536 Maryland Avenue, Cumberland, as recorded among the Land Records of Allegany County, Maryland in Book 2330, Page 329, Tax Account No. 22-006290, for the total purchase price of Five Thousand, Five Hundred Dollars (\$ 5,500.00); and

BE IT FURTHER ORDERED, that the City shall accept the deed effecting the transfer of said property, provided settlement contingencies are met; and

BE IT FURTHER ORDERED, that, should it be necessary to extend the date for closing under the terms of the Contract, the City Administrator and City Solicitor are jointly and severally granted the authority to enter into agreements for said purpose, provided the date of the closing is not extended more than sixty (60) days from the originally scheduled closing date; and

BE IT FURTHER ORDERED, that the City Administrator and City Solicitor are jointly and severally granted the authority to execute and deliver such documents as are necessary to facilitate or effect the closing for the subject property.

Brian K. Grim, Mayor

AUCTION ITEM NO. KE65067 / A1706WJ

PURCHASE AGREEMENT- FANNIE MAE

This Purchase Agreement with Joint Escrow Instructions (this "**Agreement**") is executed by and between the Buyer and Seller, who agree as follows:

1. **KEY TERMS:**

A. **SELLER:** FANNIE MAE

B. **BUYER:** MAYOR AND CITY COUNCIL OF CUMBERLAND
BUYER PRINTED NAME

CO-BUYER PRINTED NAME, IF ANY

57 N. Liberty Street
ADDRESS

Cumberland, Maryland, 21502
CITY, STATE, ZIP

Home Phone No.: 301-759-6446

Cell Phone No.: 301-759-6446

Work Phone No.: 301-759-6446

Fax Phone No.: _____

Email Address: margie.woodring@cumberlandmd.gov

C. **PURCHASE PRICE:**

Total Purchase Price Calculation:

Winning Bid Amount: \$ 4,000.00

plus Buyer's Premium: \$ 1,500.00

equals TOTAL PURCHASE PRICE: \$ 5,500.00

Earnest Money Deposit* from Buyer: \$ 2,500.00

*Earnest Money Deposit Components:

CHECK BOX if first property acquired at auction (*Earnest Money Deposit to be 5% of Total Purchase Price or \$2,500, whichever is greater. First \$2,500 of Earnest Money Deposit shall be in the form of a cashier's check or cash.)

CHECK BOX if **NOT** first property acquired at auction (*Earnest Money Deposit to be 15% of Total Purchase Price or \$5,000, whichever is greater. First \$5,000 of Earnest Money Deposit shall be in the form of a cashier's check or cash.)

D. **PROPERTY:**

Property Address: 536 MARYLAND AVE

CUMBERLAND, MD 21502

Legal Description of Property:

See Exhibit A, the title commitment or preliminary title report (if the legal description of the Property is not attached, is incomplete or is inaccurate, this Agreement shall not be invalid and the legal description shall be completed or corrected to meet the requirements of the title company issuing the owner's title policy prior to the closing of the transaction).

E. **CLOSING DATE:** 12/13/2017

F. **ESCROW/CLOSING AGENT:** SERVICELINK / FANNIEMAE CLOSING TEAM
1400 CHERRINGTON PARKWAY
MOON TOWNSHIP, PA, 15108
Telephone: 855-264-4932
Facsimile: SL-REOFMNAAUCCNTR@SERVICELINKFNF.COM

2. **PAYMENT OF PURCHASE PRICE.** Buyer shall pay Seller the Total Purchase Price as follows:

A. Buyer will deposit with Escrow/Closing Agent identified in **Section 1** above (the "**Escrow/Closing Agent**") (or cause to be deposited with Escrow/Closing Agent) the Earnest Money Deposit described above in **Section 1** (the "**Earnest Money Deposit**") on the date Buyer signs this Agreement. The Earnest Money Deposit is to be comprised of (1) a cashier's check or cash in the amount of Two Thousand Five Hundred Dollars (\$2,500) (or Five Thousand Dollars (\$5,000) as may be required by Seller) plus (2) a cashier's check, cash or personal check equal to the difference between the total Earnest Money Deposit minus the value of the cashier's check or cash set forth above.

B. Prior to the Closing Date as determined under **Section 4** below, Buyer shall deposit with the Escrow/Closing Agent in immediately available funds an amount equal to the balance of the Total Purchase Price, plus Buyer's share of closing costs and pro rations, plus Buyer's expenses provided herein.

3. **OPENING OF ESCROW.** In consideration of Seller paying for and providing the Owner's Policy of Title Insurance, Seller and Buyer shall open an escrow account related to this Agreement for the sale of the Property with the Escrow/Closing Agent designated in **Section 1** above (this "**Escrow**") immediately upon execution of this Agreement by the Buyer by depositing a copy of this Agreement with the Escrow/Closing Agent. This Agreement shall constitute joint Closing instructions to the Escrow/Closing Agent who shall handle and close this transaction as set forth herein. Escrow shall be "open" upon the occurrence of the following: (A) Escrow/Closing Agent has received this Agreement and Real Estate Purchase Addendum (Auction) executed by Buyer; and (B) Escrow/Closing Agent has received the Earnest Money Deposit from Buyer.

BUYER'S INITIALS _____/_____

4. **CLOSE OF TRANSACTION.**

A. **CLOSING DATE.** The closing shall take place on or before the date set forth in **Section 1E** above. In the event Seller is unable to conduct the Closing on or before the original Closing Date, then such Closing Date shall be automatically extended for thirty (30) days; provided, however, that Seller, Seller's agent, or the Escrow/Closing Agent may give Buyer written notice during such thirty (30) day period that it is ready to close and such closing shall occur within five (5) days following the written notice. Escrow/Closing Agent is instructed to close Escrow on such dates set forth subject to each of the following:

- (1) If Seller is unable to deliver insurable title to Buyer as required in this Agreement and the Real Estate Purchase Addendum (Auction) at or prior to the Closing Date, then Escrow shall not close and the closing shall not occur, in which case such inability shall be deemed no fault of Seller, and Seller may cancel the transaction contemplated by this Agreement.

- (2) If this Agreement has been cancelled or terminated as permitted elsewhere herein or in the Real Estate Purchase Addendum (Auction).
- (3) If the Closing Date is extended pursuant to an Addendum to this Agreement or mutual escrow instructions executed by both Seller and Buyer, then Escrow/Closing Agent shall close Escrow on the Closing Date as so extended.

B. **CONDITIONS PRECEDENT.** The Closing Date is further subject to each of the following conditions precedent (the failure of any of which shall not, in and of itself, relieve any party of its obligations set forth elsewhere in this Agreement): (1) Seller shall not have given written notice to Escrow/Closing Agent that Buyer is in default of this Agreement, and (2) the Title Insurance Company (the "**Title Company**") shall have irrevocably committed to issue to Buyer an owner's policy of title insurance covering the Property showing liability in the amount of the Purchase Price and showing insurable title to the Property vested as stated by Buyer, subject to any and/or all of the following (the failure of which shall not be deemed a default of Seller):

- (1) Title Company's standard exceptions.
- (2) The following encumbrances and other matters:
 - (i) Liens for all current general and special real property taxes and assessments not yet due and payable ;
 - (ii) Covenants, conditions, restrictions, reservations, rights, rights of way, and easements of record, if any;
 - (iii) New First Trust Deed (if any) to be recorded;
 - (iv) The standard exceptions in the printed form of the ALTA Standard Coverage Owner's Title Insurance Policy or Lender's Title Insurance Policy and any other exceptions or other matters contained or disclosed in the title insurance commitment described in Section 8F of this Agreement with respect to the Property;
 - (v) Any state of facts an accurate survey and/or a personal inspection of the Property may disclose;
 - (vi) Any laws, regulations, ordinances (including, but not limited to zoning, building and environmental) as to the use, occupancy, subdivision or improvement of the Property adopted or imposed by any governmental body, or the effect of any noncompliance with or any violation thereof, including but not limited to any disclosure and/or report required by ordinance;
 - (vii) Rights of existing tenants and/or occupants of the Property, if any; and
 - (viii) All other matters of record for which the Title Company agrees to provide insurance at no additional cost to the Buyer.

5. **DISCLOSURES.**

A. **Buyer acknowledges that the purchase of the Property may have resulted from a transfer made by a beneficiary or an affiliate or subsidiary of a beneficiary under a deed of trust who acquired the Property at a sale conducted pursuant to a power of sale under a deed of trust, or deed in lieu of foreclosure, as described in Section 10-702 of the Real Property Article of the Maryland Code (the "Disclosure Act"). Therefore, Seller is exempt from requirements regarding the making of certain disclosures, including without limitation disclosures under the Disclosure Act. As a result, any rights Buyer may have had in connection with such Disclosure Act shall not be available including without limitation any right to terminate this Agreement under the Disclosure Act. Further, regardless of how Seller obtained title, Seller is not familiar with the condition of the Property, other than as may be disclosed in any inspection reports obtained by or on behalf of Seller, Seller's representatives or agents or that Seller may have received otherwise. Any such reports furnished by Seller or its agents in connection herewith shall be for informational purposes only, are not made part of this Agreement, and Seller makes no representations or warranties about their accuracy or completeness. Buyer acknowledges that in consideration of Seller's execution of this Agreement, Buyer, on behalf of itself and all other parties having any Claims, covenants that neither Buyer nor any such other party will sue, commence, prosecute or in any way participate in any judicial, administrative, or other regulatory proceedings for breach of contract based on any disclosures relating to any alleged breach or violation**

of any state law, rule or regulation by Seller, or any other party engaged on Seller's behalf, including, without limitation any real estate broker or agent representing Seller.

B. OTHER DISCLOSURES.

- (1) **ASSESSMENTS.** If the Property is subject to a special assessment lien imposed by a public body payable in installments which continue beyond Closing, the Buyer shall be responsible for and pay any and all amounts which become due after Close of Escrow.
- (2) **RADON.** Radon is a naturally occurring radioactive gas that when accumulated in a building in sufficient quantities may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines may have been found in buildings in the state where the Property is located. Additional information regarding radon and radon testing may be obtained from your county or state health unit. Buyer represents and warrants that he/she/it has not relied on the accuracy or completeness of any representations that have been made by the Seller and/or Seller's broker or auctioneer as to the presence of radon and that the Buyer has not relied on the Seller's or Seller's broker's failure to provide information regarding the presence or effects of any radon found on the Property. Real estate brokers and agents are not generally qualified to advise buyers on radon treatment or its health and safety risks.
- (3) **MOLD.** Mold is naturally occurring and may cause health risks or damage to property. If Buyer is concerned or desires additional information regarding mold, Buyer should contact an appropriate professional. Real property (including, but not limited to, the basement) is or may be affected by water or moisture damage, toxic mold, and/or other environmental hazards or conditions. Seller further advises Buyer that as a consequence of possible water damage and/or excessive moisture, the Property may be or has been irrevocably contaminated with mildew, mold, and/or other microscopic organisms. Buyer is being advised that exposure to certain species of mold may pose serious health risks, and that individuals with immune system deficiencies, infants, children, the elderly, individuals with allergies or respiratory problems, and pets are particularly susceptible to experiencing adverse health effects from mold exposure. Buyer acknowledges that Seller has advised Buyer to make his/her own evaluation of the Property and to have the Property thoroughly inspected. Buyer has been further advised by Seller that all areas contaminated with mold, and/or other environmental hazards or conditions, should be properly and thoroughly remediated. Additionally, Buyer has been advised by Seller that habitation of the Property without complete remediation may subject the inhabitants to potentially serious health risks and/or bodily injury. Buyer acknowledges that it is the sole responsibility of Buyer to conduct any remediation on the Property. Buyer also acknowledges that Buyer is buying the Property AS IS, WHERE IS, WITH ALL FAULTS AND LIMITATIONS. Buyer represents and warrants to Seller that Buyer has made his own inspection and evaluation of the Property to Buyer's complete satisfaction, and Buyer accepts the Property AS IS, WHERE IS, WITH ALL FAULTS AND LIMITATIONS at the time of Closing. Buyer is electing to purchase the Property from Seller in an AS IS, WHERE IS, WITH ALL FAULTS AND LIMITATIONS condition with full knowledge of the potential condition of the Property, the potentially serious health risks, and the potential liability that Buyer could incur as the owner of the Property for claims, losses, and damages arising out of any toxic mold contamination, and/or other environmental hazards or conditions on the Property. Buyer agrees that the purchase price of the Property reflects the agreed upon value of the Property AS IS, WHERE IS, WITH ALL FAULTS AND LIMITATIONS taking into account the aforementioned disclosures.
- (4) **LEAD-BASED PAINT DISCLOSURE.** If the Property was built prior to 1978, the Seller shall (i) notify the Buyer of any known lead-based paint ("**LBP**") or LBP hazards in the Property; (ii) provide the Buyer with any LBP risk assessments or inspections of the Property in the Seller's possession; (iii) provide the Buyer with the Disclosure of Information on LBP and Lead-Based Paint Hazards, and any report, records, pamphlets, and/or other materials references therein, including the pamphlet "Protect Your Family From Lead In Your Home" (collectively "**LBP Information**"). Buyer shall return a signed copy of the Disclosure of Information on LBP and Lead-Based Paint Hazards to Seller prior to Closing.

LBP Information was provided prior to Agreement Acceptance and Buyer acknowledges the opportunity to conduct LBP risk assessments or inspections during the Inspections. Buyer hereby

waives the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint or lead-based paint hazards.

BUYER'S INITIALS _____ / _____

- (5) **PROPERTY TAX DISCLOSURE SUMMARY.** Buyer should not rely on the Seller's current property taxes as the amount of property taxes that the Buyer may be obligated to pay in the year subsequent to purchase. A change of ownership, use, or property improvements may trigger reassessments of the Property that could result in higher property taxes. If Buyer has any questions concerning valuation, Buyer is advised to contact the county property appraiser's office for information.
- (6) **PERMITS AND REPAIRS.** If the Property is located in a jurisdiction that requires a certificate of occupancy, smoke detector certification, septic certification or any similar certification or permit or any form of improvement or repair to the Property (collectively, "**Permits and Repairs**"), Buyer acknowledges and agrees that Buyer shall be responsible for obtaining any and all of the Permits and Repairs at Buyer's sole cost and expense, including but not limited to any certificate of use or other certification required by the ordinance. Buyer shall make application for all Permits and Repairs within ten (10) days of the Seller's Acceptance Date, such date to be the date of execution of this Agreement and any exhibits and addenda hereto. Seller makes no representations or warranties regarding compliance or conformity with any building codes, laws, rules or regulations.
- (7) **TERMITE INSPECTION.** Buyer, at Buyer's sole cost and expense, will furnish a written report from a pest control firm dated within thirty (30) days prior to Close of Escrow showing that all dwelling(s) and/or garage(s), excluding fences or shrubs not abutting the dwelling(s) or garage(s) on the Property are free of visible evidence of active termites and other wood-destroying insects and free from visible structural insect damage as may be required by law or Buyer's lender. Any extermination and structural repairs identified in the inspection report will be made at Buyer's sole expense.
- (8) **CONDOMINIUM/PUD/HOMEOWNERS ASSOCIATION.** If the Property is in a common interest community or planned community, unless otherwise required by law, Buyer acknowledges that Buyer, at Buyer's own expense, was and is responsible for (a) obtaining and (b) reviewing the declaration of covenants, conditions, restrictions and/or bylaws and other documentation regarding such common interest community or planned community and Buyer acknowledges that, prior to Buyer's execution of this Agreement, Buyer has reviewed such documentation to the fullest extent Buyer deems necessary and, upon execution of this Agreement, Buyer is deemed to have accepted the declaration of covenants, conditions, restrictions and/or bylaws of the common interest community or planned community.
- (9) **BUILDING AND ZONING CODES.** Buyer should consult the local jurisdiction for information on building and zoning codes or information about transportation beltways and/or planned or anticipated land use within proximity of the Property. Seller makes no representations or warranties regarding compliance or conformity with any building codes, laws, rules, or regulations.
- (10) **SQUARE FOOTAGE.** Buyer acknowledges that the square footage of the Property has not been measured by Seller, Seller's broker or its auctioneer (including the square footage of the lot and home) and the square footage quoted on any marketing tools such as advertisements, brochures, MLS data, the auction website and any other information provided is based on information supplied to Seller and is deemed approximate and not guaranteed. Buyer further acknowledges that Buyer has not relied upon any such marketing tool and that such tools are not representations and/or warranties of Seller or its agent. Buyer is buying the Property "As Is, Where Is, With All Faults and Limitations" and acknowledges Buyer's responsibility to perform all due diligence and investigation regarding Buyer's acquisition of the Property, including the measurement of or confirmation of square footage of the Property.

- C. **RECEIPT OF DISCLOSURES.** Buyer acknowledges and agrees that Buyer has received and/or had adequate opportunity to read and understand all disclosures and documents regarding the Property made available by Seller, Seller's broker or its auctioneer in print or electronic form (the "**Disclosures**"), prior to entering into this Agreement including without limitation:
- (1) The pamphlet "Protect Your Family From Lead in Your Home";
 - (2) The documents and information made available on the internet at www.auction.com;
 - (3) The written disclosures made available at the Property and at the location where the sale of the Property is conducted;
 - (4) Any real estate brokerage relationship disclosures, such disclosures made available and provided to Buyer during the registration process, prior to bidding at auction and prior to entering into any Agreement for the purchase and sale of the Property; and,
 - (5) The disclosures listed herein and on Exhibits attached to this Agreement, which Exhibits are incorporated into this Agreement by reference herein.

Buyer understands and acknowledges that any information provided by or on behalf of Seller with respect to the Property, including without limitation, all information in the Disclosures and the Brochure as defined below was obtained from a variety of sources and that Seller and Seller's broker and auctioneer have not made any independent investigation or verification of such information and make no representations as to the accuracy or completeness of such information. **Buyer shall not have the right to cancel this Agreement by reason of any information, facts, condition or other aspect of the Property discovered by Buyer subsequent to Buyer's execution of this Agreement.** Buyer further waives the right under 42 U.S.C. § 4852d and any other applicable law to conduct a risk assessment or inspection for the presence of lead-based paint hazards.

- D. **BROCHURE.** Buyer represents and warrants that Buyer has received, read and accepts the terms and conditions pertaining to the sale of the Property which are made available in an auction brochure, if any (the "**Brochure**"), advertising, or on the auction website, www.auction.com, which terms and conditions are incorporated herein by reference. In the event of any conflict or inconsistency between the terms and conditions of this Agreement and the terms and conditions of the auction, the terms and conditions of this Agreement shall control and prevail in all respects. Buyer acknowledges that neither Seller nor auctioneer makes any representation or warranty whatsoever in connection with any terms, conditions, warranties and/or representations contained in the Brochure, any advertising, or on the auction website.
- E. **NO REPAIRS.** Buyer acknowledges and agrees that Seller is selling the Property "As Is, Where Is, With All Faults and Limitations" and Seller shall have no liability for or any obligation to make any repairs or improvements of any kind to the Property including but not limited to the inability of Buyer to obtain a certificate of occupancy, certificate of use or municipal code compliance certificate, if required, for the Property. Seller shall comply with laws and ordinances regarding the presence of smoke detector(s), carbon monoxide detectors and/or fire extinguishers required at the Property, if any. Any and all additional smoke detector(s), carbon monoxide detectors and/or fire extinguishers required by local ordinance shall be installed by Buyer at Buyer's cost and expense prior to the Closing Date. In some municipalities, a certificate of occupancy, certificate of use or municipal code compliance certificate may be required in order to transfer and/or occupy the Property. If a certificate of occupancy, certificate of use or municipal code compliance certificate is required to be obtained in order for the Property to be transferred to or occupied by Buyer, Buyer shall obtain such certificate of occupancy, certificate of use or municipal code compliance certificate at Buyer's sole cost and expense. If any violations at the Property shall be required to be corrected by the municipality or other work performed at the Property to obtain a certificate of occupancy, certificate of use or municipal code compliance certificate, Buyer shall correct and/or perform same at Buyer's sole cost and expense. Seller makes no representation as to whether a certificate of occupancy, certificate of use or municipal code compliance certificate is required or whether the Property may be occupied by Buyer. Buyer shall indemnify, defend and hold Seller harmless from and against all fines, penalties, costs, expenses, claims and liabilities arising out of or relating to Buyer's obtaining or its failure to obtain a certificate of

occupancy, certificate of use or municipal code compliance certificate if one is required. This indemnification shall survive the Closing Date and shall not be deemed to have merged into any of the documents executed or delivered at Closing. Seller makes no representations or warranties regarding compliance or conformity with any building codes, laws, rules or regulations.

- F. **TITLE COMMITMENT and CC&Rs.** Buyer represents and warrants that Buyer has read, received and approved copies of (1) the preliminary title report or commitment for the Property, (2) the recorded covenants, conditions, restrictions, reservations, rights, rights of way and easements of record, if any, affecting the Property, and (3) any and all other matters disclosed in the preliminary title report or commitment. If a survey is required to close, Buyer shall bear the cost, expense and sole responsibility of obtaining a survey acceptable to the Title Company and any lender.
- G. **EXECUTION OF DISCLOSURES BY BUYER.** Buyer shall execute, deliver and deposit with Escrow/Closing Agent prior to Closing Date all federal, state and local disclosures concerning the Property that Buyer is required to execute under applicable laws and regulations or required by the Escrow/Closing Agent.

6. **COSTS AND PRORATIONS.**

- A. **PRORATIONS.** The Escrow/Closing Agent shall prorate Closing Costs and Adjustments pursuant to Section 10 of the Real Estate Purchase Addendum (Auction).
- B. **SELLER'S EXPENSES.** Seller shall pay the premium for the owner's title insurance policy as set forth in Section 38 of the Real Estate Purchase Addendum (Auction) when the Buyer agrees to use the services of the Escrow/Closing Agent as set forth in this Agreement, as well as a title search fee, a Seller's closing fee and Seller's share of prorations as set forth in Section 10 of the Real Estate Purchase Addendum (Auction). Additionally, Seller shall pay any other fees or taxes that may be imposed upon Seller and that Seller is required to pay pursuant to Maryland law. Except as provided herein, Seller shall not be responsible for any amounts due, paid, or to be paid after the Closing of the transaction. In the event Seller has paid any taxes, special assessments or other fees at or prior to the Closing and there is a refund of any such taxes, assessments or fees after the Closing, and Buyer as current owner of the Property receives the payment, Buyer will immediately submit the refund to Seller. Escrow/Closing Agent is hereby authorized to pay from Seller's proceeds Seller's expenses set forth in this Section.
- C. **BUYER'S EXPENSES.** Notwithstanding state or local custom, all costs and expenses not allocated to Seller as described in Section B above shall be allocated to and paid for by Buyer, unless otherwise required by law or agreed to in writing by Seller. The Buyer shall pay all other costs, fees and expenses incurred in the transfer of the Property, including costs of any survey, title policy, escrow or closing fees and lender required fees. Buyer's expenses may include, but are not limited to, all costs of credit reports, loan fees, loan points and other costs of obtaining the New First Mortgage/Trust Deed Loan, lender's title insurance charges for the policy of the lender of the New First Mortgage/Trust Deed Loan, escrow fees, closing fees, tax service fees, recordation fees for the deed, and any mortgage or deed of trust, any documentary transfer tax, real property transfer taxes or deed tax that may be imposed by the State, County and/or City in which the Property is located, Buyer's share of prorations and charges as set forth in Section 10 of the Real Estate Purchase Addendum (Auction), first month's condominium/homeowner's association membership fees and assessments, if any, and other closing costs of Buyer. Any cost, expense or tax of any kind imposed by any state or local entity not otherwise addressed herein, shall be paid by Buyer. Any and all termite clearances and reports and any inspections required by any lender, and/or repairs recommended or required by any termite and/or property inspection report including, but not limited to, any roof certifications shall all be at the sole cost and expense of Buyer.

7. **REAL ESTATE PURCHASE ADDENDUM (AUCTION).** Buyer and Seller acknowledge that this Purchase Agreement is being executed concurrently with that certain Real Estate Purchase Addendum (Auction). Pursuant to Paragraph 28 of the Real Estate Purchase Addendum (Auction), in the event there is any conflict between the Addendum and this Purchase Agreement or any escrow instructions or any other documents attached and made part of this Agreement, the terms of the Real Estate Purchase Addendum (Auction) shall take precedence and shall prevail, except as prohibited by law.

8. **AUCTION/SALE PROCESS.** Neither Seller, Seller’s broker nor auctioneer is making any representation or warranty as to the manner in which the sale process will be managed. Seller may select the winning bid in its sole and absolute discretion. No obligation to sell shall be binding on Seller unless and until a written contract of sale or purchase agreement is signed and delivered by Seller. Seller may rescind any oral acceptance of a winning bid prior to the execution and delivery of this Purchase Agreement for any reason, including, but not limited to the receipt of a subsequent higher bid or offer to purchase whether such higher bid or offer to purchase was received pursuant to the Auction Terms and Conditions or otherwise.

9. **PROHIBITED PERSONS AND TRANSACTIONS.** Each party represents and warrants to the other that neither it, nor any of its affiliates, nor any of their members, directors, or other equity owners (excluding holders of publicly traded shares), and none of their principal officers and employees: (i) is listed as a “specifically designated national and blocked person” on the most current list published by the U.S. Treasury Department Office of Foreign Asset Control (“OFAC”); (ii) is a person or entity with whom U.S. persons or entities are restricted from doing business under OFAC regulations or any other statute or executive order (including the September 24, 2001 “Executive Order Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism”); and (iii) is engaged in prohibited dealings or transactions with any such persons or entities.

10. **LEGALLY BINDING CONTRACT. THIS IS A LEGALLY BINDING CONTRACT. IF YOU DO NOT UNDERSTAND THE TERMS AND CONDITIONS, CONSULT LEGAL OR OTHER COUNSEL BEFORE SIGNING. BUYER HAS BEEN ADVISED BY SELLER, SELLER’S BROKER AND AUCTIONEER TO SEEK LEGAL, FINANCIAL, CONSTRUCTION, AIR QUALITY, ENVIRONMENTAL AND/OR PROFESSIONAL INSPECTIONS BY QUALIFIED PROFESSIONALS REGARDING BUYER’S PURCHASE OF THE PROPERTY AND THE TERMS OF THIS AGREEMENT. BY SIGNING THIS AGREEMENT, BUYER REPRESENTS AND WARRANTS THAT HE/SHE/IT HAS CONSULTED WITH, HAD THE OPPORTUNITY TO CONSULT WITH OR WAIVED THE RIGHT TO CONSULT WITH LEGAL OR OTHER PROFESSIONALS BUYER DEEMS NECESSARY.**

11. **PROPERTY SOLD “SUBJECT TO” SELLER’S CONFIRMATION.** Buyer(s) and Seller agree this Agreement and Real Estate Purchase Addendum (Auction) are subject to approval by the Seller’s management and must be signed by all parties in order to be binding. If Seller does not approve the Agreement and Real Estate Purchase Addendum, then the Escrow/Closing Agent shall return to Buyer(s) any Earnest Money Deposit given by Buyer to Escrow/Closing Agent.

Dated: _____

Dated: _____

SELLER:

BUYER(S):

FANNIE MAE

As Agent and Attorney in Fact for FANNIE MAE

SIGNATURE

For _____

MAYOR AND CITY COUNCIL OF CUMBERLAND

By: _____

By: Jeffrey D. Rhodes, City Administrator

Title: _____

PRINTED NAME

SIGNATURE

PRINTED NAME

BUYER'S AGENT/BROKER (if any):

Buyer's Agent/Broker hereby represents that he/she has registered prior to the Auction pursuant to the Auction Terms and Conditions as a Registered Agent/Broker, that he/she accepts the Auction Terms and Conditions in their entirety and specifically as to the compensation due to the cooperating Agent/Broker set forth below, if any, and that this is the only compensation Agent/Broker shall receive or is entitled to for this transaction from Seller, Seller's broker or auctioneer. Agent/Broker further represents that he/she is not a principal in the transaction (as such terms are defined in the Auction Terms and Conditions):

None
PRINTED NAME

BROKERAGE NAME

By: _____

License Number: _____

ESCROW/CLOSING AGENT ACKNOWLEDGEMENT:

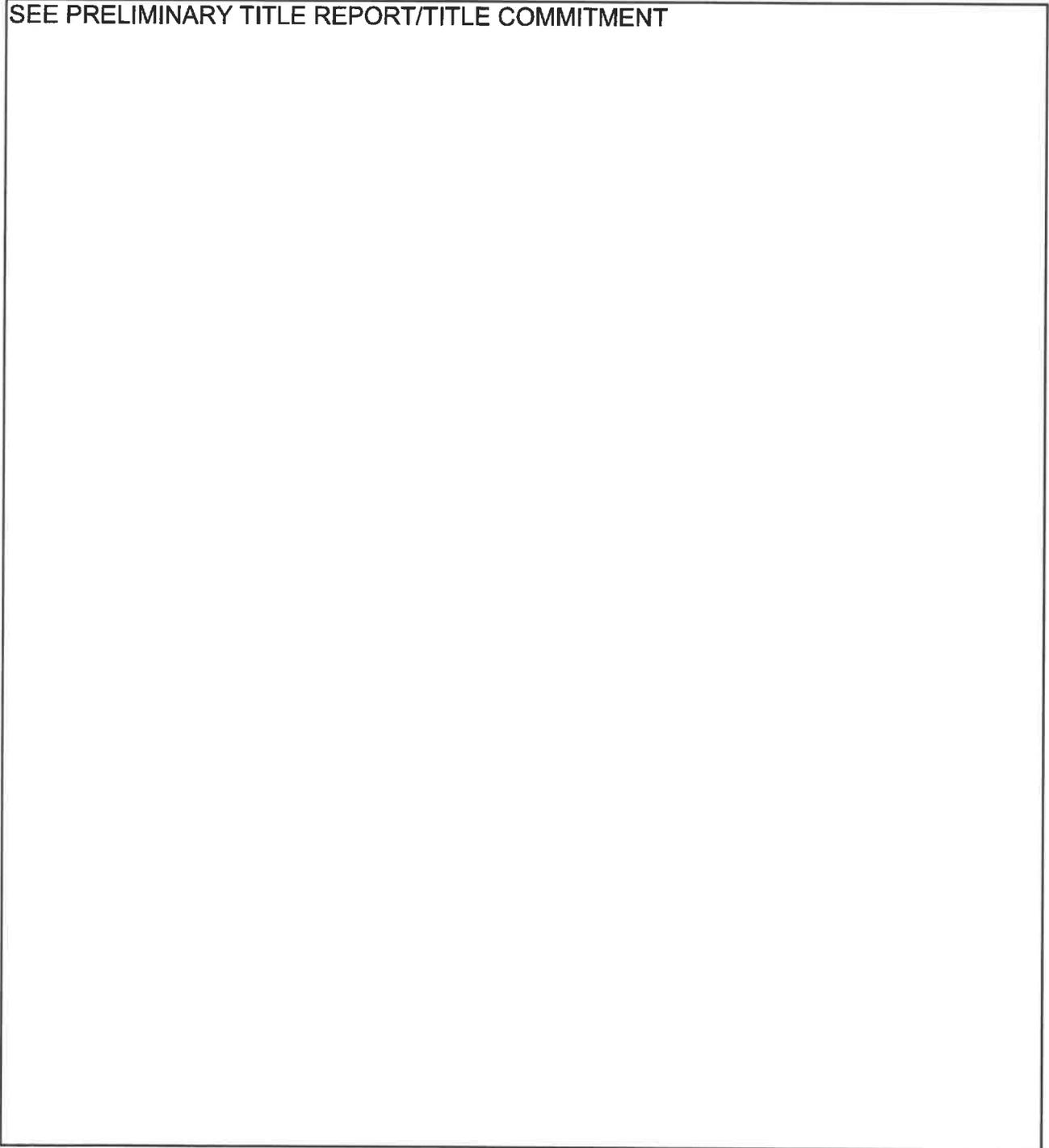
Escrow/Closing Agent acknowledges receipt of a copy of this Agreement and earnest money deposit in the amount of \$_____ and agrees to act as Escrow/Closing Agent subject to the terms and conditions of this Agreement, the terms of Escrow/Closing Agent's general provisions set forth in Exhibit C, if any, and any supplemental Closing instructions agreed upon by the Parties.

By: _____

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

SEE PRELIMINARY TITLE REPORT/TITLE COMMITMENT



Please see preliminary title report or title commitment for full and complete legal description.

SELLER INITIALS _____/_____

BUYER'S INITIALS _____/_____

EXHIBIT B

ADDITIONAL DISCLOSURES – AS APPLICABLE

Federal Lead Based Paint Disclosure (if pre-1978)
Pamphlet: "Protect Your Family from Lead in Your Home"
Fair Housing Disclosure (SEE BELOW)
Understanding Whom Real Estate Agents Represent – Maryland (SEE EXHIBIT D BELOW)
First Time Maryland Homebuyers ("FTMH") Only (SEE BELOW)
Maryland Condominium Act Disclosure (General) (SEE BELOW)
Maryland Condominium Act Disclosure (Special) (SEE BELOW)
Maryland Homeowners' Association Act (SEE BELOW)
Ground Lease Notice (SEE BELOW)
Agricultural Tax Notice (SEE BELOW)
Conservation Easement Notice (SEE BELOW)
Forest Conservation and Management Program Notice (SEE BELOW)
Forest Conservation Act Notice (SEE BELOW)
Real Estate Guaranty Fund Notice (SEE BELOW)
Disclosure of Buyer's Right of Selection of a Settlement Agent (SEE BELOW)
Wetland's Notice (SEE BELOW)
Recordation Tax Notice (SEE BELOW)
Critical Area Environmental Notice (SEE BELOW)
High Noise Level Notice (SEE BELOW)
Sex Offender Information (SEE BELOW)

COUNTY OR CITY DISCLOSURES ARE PROVIDED AS APPLICABLE TO THE PROPERTY PURCHASED.

Anne Arundel County Environmental Action Notice (SEE BELOW)
Anne Arundel County Notice (SEE BELOW)
Baltimore County Historic Property Disclosure (SEE BELOW)
Baltimore County Panhandle Lot Disclosure (SEE BELOW)
Baltimore County Public Sewer or Water Disclosure (SEE BELOW)
Baltimore County Public Sewer or Water Annual Fee/Assessment Disclosure (SEE BELOW)
Baltimore County Notice of Well Water (SEE BELOW)
Baltimore County RC 4 Zone Disclosure (SEE BELOW)
Baltimore County Master Plan Disclosure (SEE BELOW)
Baltimore County 100 Year Floodplain Disclosure (SEE BELOW)
Baltimore City Transfer Certificate Notice (SEE BELOW)
Baltimore City Disclosure of Tenant Rights (SEE BELOW)
Charles County Right to Farm Notice (SEE BELOW)
Frederick County Notice (SEE BELOW)
Montgomery County Airports, Heliports and Helipads Disclosure (SEE BELOW)
Montgomery County Master Plan Disclosure (SEE BELOW)
Montgomery County Water and Sewer Availability Disclosure (SEE BELOW)
Montgomery County Special Protection Area Disclosure (SEE BELOW)
Montgomery County Historic Designation Disclosure (SEE BELOW)
Prince George's County Development Impact Fee Notice (SEE BELOW)
St. Mary's County/Charles County Agricultural Tax Notice (SEE BELOW)
Washington County Agricultural Tax Notice (SEE BELOW)
Washington County Right To Farm Notice (SEE BELOW)
City of Rockville Master Plan Disclosure (SEE BELOW)

FAIR HOUSING ACT DISCLOSURE. Under the Federal Fair Housing Act, it is illegal to discriminate in the rental or sale of housing on the basis of race, color, national origin, religion, sex, handicap, or familial status.

FIRST TIME MARYLAND HOMEBUYERS ("FTMH") ONLY. A FTMH is an individual/individuals who has/have never owned residential real property in Maryland that has/have been such individual's/individuals' principal residence and is/are acquiring the Property under this Agreement to occupy the Property as a principal residence. By initialing below, Buyer/Buyers certifies/certify to Seller that Buyer/each Buyer is a FTMH acquiring the Property as Buyer's/Buyers' principal residence:

Buyer's Initials _____/_____

Section 14-104 of the Real Property Article of the Annotated Code of Maryland requires the seller in a residential real estate transaction to pay the entire amount of the State transfer tax if all buyers are FTMH's who will occupy the Property (this applies to any residential property not just condos) as a principal residence.

Section 14-104 of the Real Property Article of the Maryland Annotated Code requires the seller in a residential real estate transaction to pay the entire amount of recordation taxes and local/county transfer taxes if all buyers are FTMH's who will occupy the Property as a principal residence, unless the parties expressly agree otherwise. **It is expressly hereby agreed that the entire amount of local/county transfer taxes and recordation taxes shall be paid by Buyer at Closing, whether or not Buyer is a FTMH, unless otherwise expressly provided in an Addendum to this Agreement.**

Buyer's Initials _____/_____

MARYLAND CONDOMINIUM ACT DISCLOSURE (General). Seller represents that the Property is OR is not [CHECK ONE] located within a condominium subject to the Maryland Condominium Act (Md. Real Prop. Code Ann. Section 11-101, et seq.) (the "**Condominium Act**"). If the Property is located within a condominium subject to the Condominium Act, the Condominium Act requires the following disclosure:

NOTICE

Seller is required by law to furnish to Buyer not later than fifteen (15) days prior to closing certain information concerning the condominium which is described in Section 11-135 of the Condominium Act. This information must include at least the following:

- (i) A copy of the declaration (other than the plats);
- (ii) A copy of the bylaws;
- (iii) A copy of the rules and regulations of the condominium;
- (iv) A certificate containing:
 1. A statement disclosing the effect on the proposed conveyance of any right of first refusal or other restraint on the free alienability of the unit, other than any restraint created by Seller;
 2. A statement of the amount of the monthly common expense assessment and any unpaid common expense or special assessment currently due and payable from the selling unit;
 3. A statement of any other fees payable by the unit owners to the council of unit owners;
 4. A statement of any capital expenditures approved by the council of unit owners or its authorized designee planned at the time of the conveyance which are not reflected in the current operating budget included in the certificate;
 5. The most recently prepared balance sheet and income and expense statement, if any, of the condominium;

6. The current operating budget of the condominium, including details concerning the amount of the reserve fund for repair and replacement and its intended use, or a statement that there;

7. A statement of any judgments against the condominium and the existence of any pending suits to which the council of unit owners is a party;

8. A statement generally describing any insurance policies provided for the benefit of the unit owners, a notice that the policies are available for inspection stating the location at which they are available, and a notice that the terms of the policy prevail over the general description;

9. A statement as to whether the council of unit owners has knowledge that any alteration or improvement to the unit or to the limited common elements assigned to the unit violates any provision of the declaration, bylaws, or rules or regulations;

10. A statement as to whether the council of unit owners has knowledge of any violation of the health or building codes with respect to the unit, the limited common elements assigned to the unit, or any other portion of the condominium;

11. A statement of the remaining term of any leasehold estate affecting the condominium and the provisions governing any extension or renewal of it; and

12. A description of any recreational or other facilities which are to be used by the unit owners or maintained by them or the council of unit owners, and a statement as to whether or not they are to be a part of the common elements; and

(v) A statement by Seller as to whether Seller has knowledge:

1. That any alteration to the unit or to the limited common elements assigned to the unit violates any provision of the declaration, bylaws, or rules and regulations.

2. Of any violation of the health or building codes with respect to the unit or the limited common elements assigned to the unit.

3. That the unit is subject to an extended lease under Section 11-137 of the Condominium Act or under local law, and if so, a copy of the lease must be provided.

Buyer will have the right to cancel this Agreement without penalty, at any time within seven (7) days following delivery to Buyer of all of this information. However, once the sale is closed, Buyer's right to cancel the Agreement is terminated.

MARYLAND CONDOMINIUM ACT DISCLOSURE (Special). Seller represents that the Property is OR is not [CHECK ONE] located within a condominium containing less than seven (7) units. If the Property is located within a condominium containing less than seven (7) units, the Condominium Act requires the following disclosure:

NOTICE

Seller is required by law to furnish to Buyer not later than fifteen (15) days prior to closing certain information concerning the condominium which is described in Section 11-135 of the Condominium Act. This information must include at least the following:

(1) A copy of the declaration (other than the plats);

(2) A copy of the bylaws;

(3) A copy of the rules and regulations of the condominium; and

(4) A statement by the seller of his expenses relating to the common elements during the preceding twelve (12) months.

Buyer will have the right to cancel this Agreement without penalty, at any time within seven (7) days following delivery to Buyer of all of this information. However, once the sale is closed, Buyer's right to cancel the Agreement is terminated.

MARYLAND HOMEOWNERS' ASSOCIATION ACT. Seller represents that the Property is OR is not [CHECK ONE] is located within a development subject to the Maryland Homeowners' Association Act (Md. Real Prop. Code Ann. Section 11B-101, et seq.) (the "**Owners' Association Act**"). If the Property is located within a development subject to the Owners' Association Act, the Owners' Association Act requires the following disclosure:

This sale is subject to the requirements of the Maryland Homeowners Association Act (the "Act"). The Act requires that Seller disclose to Buyer at or before the time this Agreement is entered into, or within twenty (20) calendar days of entering into this Agreement, certain information concerning the development in which the Property you are purchasing is located. The content of the information to be disclosed is set forth in Section 11B-106 (b) of the Owners' Association Act (the "MHAA information") as follows:

Information to be supplied by Seller. Seller shall provide Buyer the following information in writing:

(1) A statement as to whether the Property is located within a development;

(2) (i) The current monthly fees or assessments imposed by the homeowners association upon the Property; (ii) The total amount of fees, assessments, and other charges imposed by the homeowners association upon the Property during the prior fiscal year of the homeowners association; and (iii) A statement of whether any of the fees, assessments, or other charges against the Property are delinquent;

(3) The name, address, and telephone number of the management agent of the homeowners association, or other officer or agent authorized by the homeowners association to provide to members of the public, information regarding the homeowners association and the development, or a statement that no agent or officer is presently so authorized by the homeowners association;

(4) A statement as to whether Seller has actual knowledge of: (i) The existence of any unsatisfied judgments or pending lawsuits against the homeowners association; and (ii) Any pending claims, covenant violations actions, or notices of default against the Property; and

(5) A copy of: (i) The articles of incorporation, the declaration, and all recorded covenants and restrictions of the primary development, and of other related developments to the extent reasonably available, to which Buyer shall become obligated on becoming an owner of the Property, including a statement that these obligations are enforceable against an owner's tenants, if applicable; and (ii) The bylaws and rules of the primary development, and of other related developments to the extent reasonably available, to which Buyer shall become obligated on becoming an owner of the Property, including a statement that these obligations are enforceable against an owner and the owner's tenants, if applicable.

If Buyer has not received all of the MHAA information five (5) calendar days or more before entering into this Agreement, Buyer has five (5) calendar days to cancel this Agreement after receiving all of the MHAA information. Buyer must cancel this Agreement in writing, but Buyer does not have to state a reason. Seller must also provide Buyer with notice of any changes in mandatory fees exceeding ten percent (10%) of the amount previously stated to exist and copies of any other substantial and material amendment to the

information provided to Buyer. Buyer has three (3) calendar days to cancel this Agreement after receiving notice of any changes in mandatory fees, or copies of any other substantial and material amendment to the MHAA information which adversely affects Buyer. If Buyer does cancel this Agreement, Buyer will be entitled to a refund of any deposit Buyer made on account of this Agreement. However, unless Buyer returns the MHAA information to Seller when Buyer cancels this Agreement, Seller may keep out of Buyer's deposit the cost of reproducing the MHAA information, or \$100, whichever amount is less.

By purchasing a lot within this development, Buyer will automatically be subject to various rights, responsibilities, and obligations, including the obligation to pay certain assessments to the homeowners association within the development. The lot you are purchasing may have restrictions on:

- (1) Architectural changes, design, color, landscaping, or appearance;
- (2) Occupancy density;
- (3) Kind, number, or use of vehicles;
- (4) Renting, leasing, mortgaging, or conveying property;
- (5) Commercial activity; or
- (6) Other matters.

Buyer should review the MHAA information carefully to ascertain Buyer's rights, responsibilities, and obligations within the development.

GROUND LEASE NOTICE. Seller represents that the Property is OR is not [CHECK ONE] encumbered by a ground lease. If the Property is encumbered by a ground lease, and the Property is not improved by any apartment, condominium, cooperative, or other building for multifamily use of greater than four dwelling units, Section 14-117 of the Real Property Title of the Annotated Code of Maryland requires the following disclosure:

**NOTICE REQUIRED BY MARYLAND LAW
REGARDING YOUR GROUND RENT**

This property _____
(address) is subject to a ground lease. The annual payment on the ground lease ("ground rent") is \$_____ (dollar amount), payable in yearly or half-yearly installments on _____
(date or dates).

The next ground rent payment is due _____ (day, month, year) in the amount of \$_____ (dollar amount).

The payment of the ground rent should be sent to:

(name of ground lease holder)

(address)

(phone number)

**NOTE REGARDING YOUR RIGHTS AND
RESPONSIBILITIES UNDER MARYLAND LAW:**

As the owner of this property, you are obligated to pay the ground rent to the ground lease holder. It is also your responsibility to notify the ground lease holder if you change your address or transfer ownership of the property.

If you fail to pay the ground rent on time, you are still responsible for paying the ground rent. In addition, if the ground lease holder files an action in court to collect the past due ground rent, you may be required to pay the ground lease holder for fees and costs associated with the collection of the past due ground rent. In addition, the ground lease holder may also file an action in court to take possession of the property, which may result in your being responsible for additional fees and costs and ultimately in your loss of the property. Please note that under Maryland law, a ground lease holder may demand not more than 3 years of past due ground rent, and there are limits on how much a ground lease holder may be reimbursed for fees and costs. If you fail to pay the ground rent on time, you should contact a lawyer for advice.

As the owner of this property, you are entitled to redeem, or purchase, the ground lease from the ground lease holder and obtain absolute ownership of the property. The redemption amount is fixed by law as follows:

- (1) For a sum equal to the annual rent reserved multiplied by:
 - (i) 25, which is capitalization at 4 percent, if the lease was executed from April 8, 1884, to April 5, 1888, both inclusive;**
 - (ii) 8.33, which is capitalization at 12 percent, if the lease was or is created after July 1, 1982; or**
 - (iii) 16.66, which is capitalization at 6 percent, if the lease was created at any other time;****
- (2) For a lesser sum if specified in the lease; or**
- (3) For a sum to which the parties may agree at the time of redemption.**

The amount to redeem your ground lease is \$_____. If you wish to redeem the ground lease, contact the ground lease holder. If the identity of the ground lease holder is unknown, the State Department of Assessments and Taxation provides a process to redeem the ground lease that may result in your obtaining absolute ownership of the property. If you would like to obtain absolute ownership of this property, you should contact a lawyer for advice.

AGRICULTURAL TAX NOTICE. Seller represents that the Property is OR is not [CHECK ONE] considered "agricultural land", as defined by Section 13-301 of the Tax-Property Title of the Annotated Code of Maryland. If the Property is considered "agricultural land", Section 13-308 of the Tax-Property Title of the Annotated Code of Maryland, requires that Buyer be notified that the Property, or any portion thereof, may be subject to an Agricultural Land Transfer Tax, as defined and imposed by Section 13-301 *et seq.* of the Tax-Property Title of the Annotated Code of Maryland.

CONSERVATION EASEMENT NOTICE. Seller represents that the Property is OR is not [CHECK ONE] encumbered by a conservation easement, as the same is defined in Section 10-705 of the Real Property Title of the Annotated Code of Maryland. If the Property is encumbered by a conservation easement, Section 10-705 of the Real Property Title of the Annotated Code of Maryland requires that Buyer be notified of the following:

The Property is encumbered by one or more conservation easements or other restrictions limiting or affecting uses of the Property and owned by the Maryland Environmental Trust, the Maryland Historical Trust, the Maryland Agricultural Land Preservation Foundation, the Maryland Department of Natural Resources, or a land trust (the "conservation easements"). Maryland law requires that Seller deliver to Buyer copies of all conservation easements on or before the day this Agreement is entered into, or within 20 calendar days after entering into this Agreement. Buyer should review all conservation easements carefully to ascertain the Buyer's rights, responsibilities, and obligations under each conservation easement, including any requirement that after the sale Buyer must inform the owner of the conservation easement of the sale of the Property.

Seller shall deliver to Buyer, either prior to entering into this Agreement or no later than twenty (20) calendar days from Buyer's execution of this Agreement, a copy of all conservation easements encumbering the Property.

FOREST CONSERVATION AND MANAGEMENT PROGRAM: Seller represents that the Property is OR is not [CHECK ONE] subject to an "agreement", as the same is defined in Section 8-211 of the Tax-Property Title of the Annotated Code of Maryland. If the Property is subject to an agreement, Buyer is hereby notified that this sale may be subject to the Forest Conservation and Management Program imposed by Section 8-211 *et seq.* of the Tax-Property Title of the Annotated Code of Maryland. Forest Conservation/Management program taxes assessed as a result of this transfer shall be paid by Buyer.

FOREST CONSERVATION ACT NOTICE: If the Property is a tract of land 40,000 square feet or more in size, Buyer is notified that, unless exempted by applicable law, as a prerequisite to any subdivision plan or grading or sediment control permit for the Property, Buyer will be required to comply with the provisions of the Maryland Forest Conservation Act imposed by Section 5-1601, *et seq.* of the Natural Resources Title of the Annotated Code of Maryland, including, among other things, the submission and acceptance of a Forest Stand Delineation and a Forest Conservation Plan for the Property in accordance with applicable laws and regulations. Unless otherwise expressly set forth in an addendum to this Agreement, Seller represents and warrants that the Property is not currently subject to a Forest Conservation Plan, Management Agreement or any other pending obligation binding the owner of the Property under said Act; further, Seller represents and warrants that no activities have been undertaken on the Property by Seller in violation of the Forest Conservation Act.

REAL ESTATE GUARANTY FUND. Section 17-401 *et seq.* of the Business Occupations and Professions Title of the Annotated Code of Maryland requires that Buyer be notified that Buyer is protected by the Real Estate Guaranty Fund in an amount not to exceed \$25,000.

DISCLOSURE OF BUYER'S RIGHT OF SELECTION. Section 17-524 of the Business Occupations and Professions Title of the Annotated Code of Maryland, requires that Buyer be notified that:

Buyer has the right to select Buyer's own: (i) title insurance company; (ii) settlement company; (iii) escrow company; (iv) mortgage lender, or financial institution or (v) title lawyer. Seller may not be prohibited from offering owner financing as a condition of settlement.

By entering into this Agreement, Buyer agrees to Seller's selection of the title insurance company, settlement company, closing agent and/or escrow company.

Buyer's Initials _____/_____

WETLANDS NOTICE. If all or any portion of the Property is considered wetlands, Buyer will need the approval of the U.S. Army Corps of Engineers before a building permit may be issued. The future use of existing buildings located on the Property may also be limited if the Property is considered wetlands. Information concerning the wetland designation of the Property may be obtained directly from the U.S. Army Corps of Engineers. Buyer may engage, at Buyer's expense, a specialist to inspect the Property prior to executing this Agreement. Buyer may also make this Agreement, subject to Seller's acceptance, contingent on a satisfactory inspection. By Buyer's execution of this Agreement, Buyer acknowledges he/she/it has had the opportunity to make all inspections of the Property Buyer deems necessary and is satisfied with the status of the Property.

RECORDATION TAX NOTICE. Section 14-117 of the Real Property Title of the Annotated Code of Maryland requires that Buyer be notified of the following:

Section 14-104 of the Real Property Article of the Annotated Code of Maryland provides that, unless otherwise negotiated in the contract or provided by State or local law, the cost of any recordation tax or any State or local transfer tax shall be shared equally between the buyer and seller.

CRITICAL AREA ENVIRONMENTAL NOTICE. Section 14-117(e) of the Real Property Title of the Annotated Code of Maryland requires that Buyer be notified of the following:

Notice to Buyer concerning the Chesapeake and Atlantic Coastal Bays Critical Area

Buyer is advised that all or a portion of the property may be located in the "critical area" of the Chesapeake and Atlantic Coastal Bays, and that additional zoning, land use, and resource protection regulations apply in this area. The "critical area" generally consists of all land and water areas within 1,000 feet beyond the landward boundaries of State or private wetlands, the Chesapeake Bay, the Atlantic Coastal Bays, and all of their tidal tributaries. The "critical area" also includes the waters of and lands under the Chesapeake Bay, the Atlantic Coastal Bays, and all of their tidal tributaries to the head of tide. For information as to whether the property is located within the critical area, Buyer may contact the local department of planning and zoning, which maintains maps showing the extent of the critical area in the jurisdiction. Allegany, Carroll, Frederick, Garrett, Howard, Montgomery, and Washington counties do not include land located in the critical area.

HIGH NOISE LEVEL NOTICE. Section 14-117(k) of the Real Property Title of the Annotated Code of Maryland requires that Buyer be notified of the following:

Buyer is advised that the property may be located near a military installation that conducts flight operations, munitions testing, or military operations that may result in high noise levels.

SEX OFFENDER INFORMATION: Information about specific registered sex offenders is made available to the public via an Internet Web site maintained by the Maryland Department of Public Safety and Correctional Facilities at <http://www.socem.info/>.

COUNTY SPECIFIC DISCLOSURES (as applicable)

Anne Arundel County Environmental Enforcement Action Notice. Seller represents that the Anne Arundel County and/or the State of Maryland has OR has not [CHECK ONE] initiated enforcement action for a violation of local law described in Section 5-106(bb)(1) of the Courts and Judicial Proceedings Title of the Annotated Code of Maryland (relating to an offense that: (i) occurs in the Chesapeake Bay Critical Area, as defined in Section 8-1807 of the Natural Resources Title of the Annotated Code of Maryland; and (ii) is a violation of a local law that relates to environmental protection or natural resource conservation, including a local law regulating: (a) Grading; (b) Sediment control; (c) Stormwater management; (d) Zoning; (e) Construction; or (f) Health and public safety). If such an enforcement action has been initiated, Section 14-117 of the Real Property Title of the Annotated Code of Maryland requires that Buyer be notified of the following:

In the event Anne Arundel County or the State of Maryland has initiated enforcement action for a violation of a local law described in Section 5-106(bb)(1) of the Courts and Judicial Proceedings Title of the Annotated Code of Maryland, Buyer is hereby notified, in accordance with Section 14-117 of the Real Property Article of the Annotated Code of Maryland, of the following:

- (i) _____
_____ (the nature of the violation);
- (ii) _____
_____ (the status of any ongoing proceedings to enforce the violation); and
- (iii) _____
_____ (actions Buyer may be required to take with respect to the Property in order to cure the violation).

Anne Arundel County Notice. If the Property is located in Anne Arundel County, Section 10-703 of the Real Property Title of the Annotated Code of Maryland requires that Buyer be notified of the following:

The Buyer fully understands that in order to become more fully informed of the current and future land-use plans, facility plans, public works plans, school plans, or other plans affecting the property or area, the Buyer should consult the appropriate county agency or county Internet website for information regarding these plans.

Baltimore County Historic Property Disclosure. Seller represents that the Property does OR does not [CHECK ONE] appear on the preliminary county landmarks list, the final county landmarks list, or the Property is located within any proposed or designated county historic district. If the Property does appear on the preliminary county landmarks list, the final county landmarks list, or the Property is located within any proposed or designated county historic district, Section 32-7-107 of the Baltimore County Code requires the following disclosure:

The Property appears on a Baltimore County landmark list; is located within a proposed or designated Baltimore County historic district or is both on a Baltimore County landmarks list and located in a Baltimore County historic district [CHECK ONE].

Baltimore County Panhandle Lot Disclosure. Seller represents that the Property is OR is not [CHECK ONE] a "panhandle lot" as defined by Section 32-4-101 of the Baltimore County Code. If the Property is a "panhandle lot", Section 35-3-303(a) of the Baltimore County Code requires the following disclosure:

The Property is a panhandle lot and Baltimore County is not responsible for maintaining the road, removing snow, or providing trash collection along the panhandle driveway.

Baltimore County Public Sewer or Water Disclosure. If the Property is not served by public sewer or water supply system, Section 35-3-303(a) of the Baltimore County Code requires the following disclosure:

The Property is not served by a public sewer or water supply system and the Property is OR is not [CHECK ONE] equipped with a private sewer or water supply.

Baltimore County Public Sewer or Water Annual Fee/Assessment Disclosure. If the Property is served by public sewer or water supply system, Section 32-4-310 of the Baltimore County Code requires the following disclosure:

Notice to purchasers of real estate in Baltimore County.

This property is subject to a fee or assessment charged, under the authority granted to developer pursuant to § 32-4-310 of the Baltimore County Code, which purports to cover or defray the cost of installing all or part of the public water or sewer facilities constructed by the developer of the subdivision known as _____ to _____. This fee or assessment is \$_____, payable annually in the month of _____ to _____ (name and address) (hereinafter called 'lienholder') until _____ (date). There may be a right of prepayment or discount for early payment which may be ascertained by contacting the lienholder. The fee and assessment is a contractual obligation between the lienholder and each owner of this property, that runs with the land, and is not in any way a fee or assessment of Baltimore County.

Baltimore County Notice of Well Water. If the Property is served by a private water supply system as the source of domestic water, Section 34-2-104 of the Baltimore County Code requires the following disclosure (waivers for the minimum well test and chemical quality test are attached hereto):

NOTICE OF WELL WATER LAW

Since the property to be purchased by Buyer(s) will be served by a private water supply system as the source of domestic water, the law of Baltimore County requires that, prior to conveyance of such property to any Buyer(s), seller(s) must provide a well with a supply of water meeting the minimum water yield requirements and bacteriological and chemical quality standards of § 34-2-102(a) and (b) of the Baltimore County Code. Buyer(s) is further advised that the quantity and quality of water is important and that, unless Buyer(s) specifically executes a waiver of testing for minimum water yield and chemical quality standards, such tests must be made on the well existing on the property to be purchased by Buyer(s) to determine whether same meets the minimum requirements established by Baltimore County Code. Any waiver of these testing requirements must be filed by Buyer(s) on the form prescribed by the Baltimore County Code and filed with the Baltimore County Department of Environmental Protection and Resource Management at least six (6) days prior to settlement and/or the date of conveyance to Buyer(s), whichever shall first occur. Any such waiver may be revoked by Buyer(s) upon written notice of such revocation delivered or mailed by certified mail, postage prepaid, return receipt requested, to seller(s) or seller's(s') agent at seller's(s') home or business address or the business address of seller's(s') agent within five (5) days of the date of the aforesaid filing with the Department of Environmental Protection and Resource Management. Date of delivery includes the date of mailing as aforesaid.

Baltimore County RC 4 Zone Disclosure. If the Property is in or within 500 feet of any RC 4 zone, Section 35-3-303(b) of the Baltimore County Code requires the following disclosure:

The Property may be subject to inconveniences or discomforts arising from agricultural operations, including: (i) Operation of machinery of any kind including aircraft, during any 24-hour period; (ii) The storage and disposal of manure; and (iii) The application by spraying or otherwise of chemical fertilizers, soil amendments,

herbicides, and pesticides. The county will not consider an agricultural operation to be a public or private nuisance if the operation: (i) Complies with all federal, state, or county health and zoning requirements; and (ii) Is not being conducted in a negligent manner.

Baltimore County Master Plan Disclosure. If the Property is located in Baltimore County, the following disclosure is required by Section 35-3-301(b) of the Baltimore County Code:

(1) **The seller has notified the Buyer that the property may be affected by provisions of the master plan and that the Buyer may wish to review the master plan; and**

(2) **The Buyer understands that in order to become fully informed of current and future land use plans, facility plans, public works plans, school plans, or other plans affecting the property or area, the Buyer should consult the appropriate county agency for information regarding the plans.**

Baltimore County 100 Year Floodplain Disclosure. Seller represents that the Property has OR has not [CHECK ONE] been removed from a 100-year flood plain area. If the Property has been removed from a 100-year flood plain area, the following disclosure is required by Section 32-8-208(a) of the Baltimore County Code:

The house, building or structure which is the subject of this contract has been removed from a 100-year floodplain.

Baltimore City Transfer Certificate Notice. Seller represents that the Property is OR is not [CHECK ONE] being used exclusively as a single or two (2) family dwelling. If the Property is not being used exclusively as a single or two (2) family dwelling, pursuant to Section 2-503 of the Baltimore City Code, Seller is required to provide to Buyer, within fifteen (15) days after this Agreement is executed by both Buyer and Seller, a transfer certificate from the Baltimore City Zoning Administrator.

Baltimore City Disclosure of Tenant Rights. Seller represents that the Property has OR does not have [CHECK ONE] tenants. If the Property has tenants, as required by Article 13, Section 6-1 et seq. of the Baltimore City Code, Seller shall provide to any residential tenant, or other person entitled to the benefits of the Property ("**Tenant**"), a notice of the intended sale of the Property and of certain tenant rights. The obligation of Seller to transfer the Property to Buyer pursuant to this Agreement is contingent on the rights of Tenant to purchase the Property in accordance with Article 13, Section 6-1 et seq. of the Baltimore City Code. In the event Tenant (i) delivers to Seller written intent to purchase the Property or (ii) accepts a purchase agreement for the Property, Seller shall notify Buyer in writing. Upon Buyer's receipt of such notification, Buyer may declare this Agreement null and void without penalty and the Earnest Money Deposit shall be returned to Buyer without delay.

AIRPORT NOISE. Buyers should investigate the impact of airport flight paths and the noise levels at different times of the day over that property. For more information on airport noise, visit the Maryland Department of Transportation, Maryland Aviation Administration.

ENVIRONMENTAL HAZARDS. Seller is not aware of a defect or hazard however this does not mean that it does not exist. **It is the buyer's responsibility to be informed and take additional steps to further investigate.**

Some potential hazards that may be found in the state include:

- Radon (www.epa.gov/radon)
- Floods (www.epa.gov/ebtpages/emernaturaldisastefloods.html)
- Methamphetamine Labs
- Wood-Burning Devices (www.epa.gov/iaq/pubs/combust.html)
- Underground Storage Tanks (www.epa.gov)
- Well & Septic Systems (www.epa.gov/ebtpages/wategroundwaterwells.html)
- Contaminated Soils (www.epa.gov/ebtpages/pollsoilcontaminants.html)
- Groundwater (www.epa.gov/safewater/protect/citguide.html)

For more information on environmental hazards, visit www.epa.gov.

_____, 20__

Department of Environmental Protection and Resource Management
Circuit Courts Building
401 Bosley Avenue, Room 416
Towson, MD 21204

RE: WAIVER TO CHEMICAL QUALITY TEST

Prior to conveyance

Buyer(s) hereby acknowledges that Buyer(s) is aware that the property Buyer(s) intends to purchase will be served by a private water supply system as a source of domestic water, that water quality is most important for residential use of property, and that § 34-2-102(b) of the Baltimore County Code requires seller(s) to provide a well with a supply of water meeting certain chemical quality standards. Nevertheless, Buyer(s) specifically elects to waive the requirement that the well on the property which Buyer(s) intends to purchase must be tested to determine whether same satisfies the chemical quality standards of the Baltimore County Code prior to settlement and/or the date of conveyance to Buyer(s), whichever shall first occur; and Buyer(s) elects to accept conveyance of the property located at _____ consisting of _____ acres without the chemical quality test provided by law, and knowingly and voluntarily executes this waiver on this _____ day of _____, 20____.

Witness: _____

_____ (Buyer)

_____ (Buyer)

_____ (Address)

_____ (Address)

_____ (Telephone No.)

_____ (Telephone No.)

County of Charles, State of Maryland. Disclosure of the existence of the Charles County Right to Farm Ordinance in compliance with Charles County Ordinance No. 00-60 (The Charles 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.

Charles County allows agricultural and forestry operations (as defined in the Charles 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 and other insects, the operation of machinery of any kind (including aircraft) during any 24-hour period, vibration, the storage and disposal of manure and the application by spraying or other means of dispersing chemical fertilizers and other soil amendments and pesticides, including but not limited to herbicides. Charles County has determined that inconveniences or discomforts associated with such agricultural and forestry 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 or forestry management practices. Charles County has established a Reconciliation Committee to assist in the resolution of disputes which might arise between persons in this county regarding whether agricultural or forestry operations conducted on agricultural lands are causing an interference with the reasonable use and enjoyment of the land or personal well-being and whether those operations are being conducted in accordance with generally accepted agricultural or forestry practices. If you have any questions concerning this policy or the Reconciliation Committee, please contact the Charles County Department of Planning and Growth Management for additional information.

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

Frederick County Notice. Seller represents that the Property is OR is not [CHECK ONE] located in Frederick County and is subject to a tax or fee of a special taxing district or community development authority. If the Property is located in Frederick County and is subject to such a fee or tax, Section 10-704 of the Real Property Title of the Maryland Annotated Code requires that Buyer be notified of the following:

This sale is subject to a tax or fee of a (special taxing district or community development authority). State law requires that Seller disclose to Buyer at or before the time this Agreement is entered into, or within twenty (20) calendar days after entering into this Agreement, certain information concerning the Property Buyer is purchasing. The content of the information to be disclosed is set forth in § 10-704 of the Real Property Title 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) for the Property, the number of years remaining for the 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.

Montgomery County Airports, Heliports and Helipads Disclosure. If the Property is located in Montgomery County, the following disclosure is required by Part II of Section 40-11 of the Montgomery County Code:

The following list of airports and heliports includes those in Montgomery County and the surrounding area that may be within a five (5) mile radius of the Property. Buyer should be aware of the fact that most properties in Montgomery County are within five (5) miles of an airport or heliport installation.

Shady Grove Adventist Hospital, 9901 Medical Center Drive, Rockville, MD 20850
Suburban Hospital, 8600 Old Georgetown Road, Bethesda, MD 20814
Montgomery County Airpark, 7940 Airpark Road, Gaithersburg, MD 20879
IBM Corporation Heliport, 18100 Frederick Avenue, Gaithersburg, MD 20879
Davis Airport, 7200 Hawkins Creamery Road, Laytonville, MD 20879
Federal Support Center Heliport, 5321 Riggs Road, Laytonville, MD 20882
Waredaca Farm, 4015 Damascus Road, Brookeville, MD 20760
Dow Jones & Company, Inc., 11501 Columbia Pike, Silver Spring, MD 20904
Washington Adventist Hospital, 7600 Carroll Avenue, Takoma Park, MD 20912
Maryland State Police Heliport, 16501 Norwood Road, Sandy Spring, MD 20860
Flying M Farms, 24701 Old Hundred Road, Comus, MD 20842
College Park, 1909 Cpl Frank Scott Drive, College Park, MD 20740
The Greater Laurel Beltsville Hospital, 7100 Contee Road, Laurel, MD 20707
Citizens Bank Helipad, 14401 Sweitzer Lane, Laurel, MD 20707
Metroplex Heliport, 8201 Corporate Drive, Landover, MD 20785
Burhans Memorial Airport, 9401 Ball Road, Ijamsville, MD 21754
Norwood Heliport, 16501 Norwood Rd, Sandy Spring, MD 20860
Ijamsville Airport, 9701 C. Reichs Ford Road, Ijamsville, MD 21754
Surburban Airport, 520 Brockbridge Rd, Laurel, MD 20724
Stol-Crest Airfield, 3851 Price's Distillery Road, Urbana, MD 27154
Beltsville Shop Heliport, 2900 Linden Lane 300, Silver Spring, MD 20910
Barnes Airport, 1878 Route 94, Woodbine, MD 21797
Glenair Airport, 3689 Sharp Road, Glenwood, MD 21738
Walters Airport, 7017 Watersville Road, Mt. Airy, MD 21771
Haysfield Airport, 4994 Sheppard Lane, Ellicott City, MD 21043
Prince George's Hospital Center Heliport, 3001 Hospital Dr, Cheverly, MD 20785
CIA Headquarters Heliport, Central Intelligence Agency, Washington, DC 20505
Georgetown University Hospital, 3800 Reservoir Road, NW, 20007
Metropolitan Police, Dist. 2, 3320 Idaho Avenue, NW 20007
Metropolitan Police, Dist. 3, 1620 V Street, NW, 20007
Metropolitan Police, Dist. 5, 1805 Bladensburg Rd., NE, 20002
Metropolitan Complex 50 Florida Avenue NE, 20002
Sibley Memorial Hospital Heliport, 5255 Loughboro Road NW, 20016
Spirit of Washington Heliport, Pier 4 6th & Water Sts, SW, 20024
South Capitol Street Heliport, 1724 S Capital St SE, 20003
Walter Reed Forest Glen, Washington, DC 20307-5001
Pentagon AHP, Cameron Station, Alexandria, VA 22314
Bolling AFB, Bolling Afb, DC 20332
U.S. Park Police Eagle's Nest Heliport, 1100 Ohio Dr, SW, 20242
National Presbyterian Church, 4101 Nebraska Avenue, NW 20016
Steuart Office Pad, Steuart Petroleum Co., 4640 40th Street, NW 20016
Walter Reed Hospital, 6825 16th Street, NW 20012
Washington Post, 1150 15th Street, NW, 20017
Washington Hospital Center, 110 Irving Street, NW 20010
Children's National Medical Center, 111 Michigan Avenue, NW 20010
National Hospital for Orthopedics/Rehabilitation Heliport, 2455 Army-Navy Drive, Arlington, VA 22206
Leesburg Executive, 1001 Sycolin Road, Leesburg, VA 22075
Loudoun Hospital Center, 224 Cornwall, NW, Leesburg, VA 22075
Ronald Reagan Washington National Airport, Arlington County, VA 20001

Montgomery County Master Plan Disclosure. If the Property is located in Montgomery County, Part II of Section 40-10 of the Montgomery County Code requires that Buyer be notified of the following:

Buyer has a right to examine, prior to entering into this Agreement, the applicable Montgomery County Master Plan, any other municipal land use plan, any adopted amendment to either plan and any approved official maps showing planned land uses, roads and highways, parks and other public facilities affecting the property contained in the plan for the area in which the Property is located.

By signing below, Buyer acknowledges the following:

(i) Seller has offered Buyer the opportunity to review the applicable master plan and municipal land use plan and any adopted amendment;

(ii) Seller has informed Buyer that amendments affecting the plan may be pending before the planning board or the county council or a municipal planning body;

(iii) (a) Buyer has reviewed each plan and adopted amendment; or (b) Buyer has waived the right to review each plan and adopted amendment; and

(iv) Buyer understands that, to stay informed of future changes in county and municipal land use plans, Buyer should consult the planning board and the appropriate municipal planning body.

Buyer: _____ Buyer: _____

Montgomery County Costs Attributable to Transportation Related Facilities Disclosure. If the Property is located in Montgomery County, Part II of Section 40-11A of the Montgomery County Code requires that Buyer be notified that the Property is or is not subject to deferred costs attributable to the improvement or construction of any transportation-related facility, for which the Buyer shall become liable pursuant to an agreement with Montgomery County. If the Property is subject to such deferred costs, Seller herewith informs Buyer of the existence of deferred charges attributable to transportation-related facilities for which Buyer shall assume liability in the estimated amount of \$_____ dollars.

Montgomery County Water and Sewer Availability Disclosure. If the Property is located in Montgomery County, Part II of Section 40-10A of the Montgomery County Code requires that Buyer be notified of the following:

Seller has no knowledge of either: (i) whether the Property is connected to, or has been approved for connection to, a public water and sewer system or (ii) (a) the water and sewer service area category or categories that currently apply to the property; (b) any recommendations in the applicable master plan regarding water and sewer service to the property and (c) the status of any pending water and sewer comprehensive plan amendments or service area category changes that would apply to the Property.

By signing below, Buyer acknowledges the following:

(i) Seller has informed Buyer that Seller does not know the information required by the Montgomery County Code, Part II of Section 40-10A (a) and

(ii) Buyer understands that, to stay informed of future changes in County and municipal water and sewer plans, Buyer should consult the County Planning Board, the Washington Suburban Sanitary Commission, the County Department of Environmental Protection, or any appropriate municipal planning or water and sewer body.

Buyer: _____ Buyer: _____

Montgomery County Special Protection Area Disclosure. If the Property is located in an area of Montgomery County designated as a special protection area under the Part II of Section 19-62 of the Montgomery County Code, Part II of Section 40-12 of the Montgomery County Code requires that Buyer be notified of the following:

The Property is or is not [CHECK ONE] designated as a special protection area pursuant to the Montgomery County Section 19-60 et seq.

If the Property is designated as a special protection area, by signing below, Buyer acknowledges the following:

- (i) Seller has informed Buyer of the Property's status as a special protection area and
- (ii) Buyer understands that special water quality measures and certain restrictions on land uses and impervious surfaces may apply to the Property.

Buyer: _____ Buyer: _____

Montgomery County Historic Designation Disclosure. If the Property has been designated a historic site or is in an area designated as a historic district in Montgomery County, Part II of Section 40-12A of the Montgomery County Code requires that Buyer be notified of the following:

The Property is or is not [CHECK ONE] either (i) designated as a historic site; (ii) located in an area designated as a historic district or (iii) listed as a historic resource on the Montgomery County locational atlas of historic sites.

If the Property is designated as described above, by signing below, Buyer acknowledges the following:

- (i) Seller has informed Buyer of the Property's status as (i) a historic site, (ii) located in an area designated as a historic district or (iii) listed as a historic resource on the Montgomery County locational atlas of historic sites and
- (ii) Buyer understands that special restrictions on land uses and physical changes may apply to this property, and Buyer may obtain more information about these restrictions from the staff of the County Historic Preservation Commission.

Buyer: _____ Buyer: _____

Prince George's County Development Impact Fee Notice. Seller represents that the Property is OR is not [CHECK ONE] located in Prince George's County and is subject to a development impact fee. If the Property is located in Prince George's County and is subject to a development impact fee, Section 14-117(h) of the Real Property Title of the Annotated Code of Maryland requires that Buyer be notified of the following:

- (i) a development impact fee has been imposed on the Property;
- (ii) the total amount of the impact fee that has been imposed on the Property is \$ _____ and
- (iii) the amount of the impact fee, if any, that is unpaid on the date of this Agreement is \$ _____.

St. Mary's County and Charles County Agricultural Tax Notice. Seller represents that the Property is OR is not [CHECK ONE] located in St. Mary's County or Charles County and is "agriculturally assessed" as defined by Section 14-117(i) of the Real Property Title of the Annotated Code of Maryland. If the Property is in St. Mary's County or Charles County and is "agriculturally assessed", Section 14-117(i) of the Real Property Title of the Annotated Code of Maryland, requires that Buyer be notified that:

Notice: under § 9-241 of the Environment Article of the Annotated Code of Maryland, the Department of the Environment is required to maintain permanent records regarding every permit issued for the utilization of sewage sludge, including the application of sewage sludge on farm land. A prospective buyer has the right to ascertain all such information regarding the property being sold under this transaction.

Washington County Agricultural Tax Notice. Seller represents that the Property is OR is not [CHECK ONE] considered "agricultural land", as defined by Section 13-501 of the Tax-Property Title of the Annotated Code of Maryland. If the Property is considered "agricultural land" and if the Property is situated in Washington County, Section 13-504 of the Tax-Property Title of the Annotated Code of Maryland, requires that Buyer be notified that the Property, or any portion thereof, may be subject to an Agricultural Land Transfer Tax, as defined and imposed by Section 13-501 et seq. of the Tax-Property Title of the Annotated Code of Maryland.

Washington County, State of Maryland 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-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. 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.

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

City of Rockville Master Plan Disclosure. If the Property is located in the City of Rockville, Section 7-31 of the Rockville City Code requires that Buyer be notified of the following:

Buyer has a right to examine, prior to entering into this Agreement, the Approved and Adopted Land Use Plan Map of the City of Rockville and all amendments thereto.

By signing below, Buyer acknowledges the following:

Seller or his agent has provided Buyer the opportunity to examine the Approved and Adopted Land Use Plan Map of the City of Rockville and all amendments thereto by either producing and making available for examination a copy of the map or escorting Buyer to a place where the map is available for examination and securing such map for examination by Buyer.

Buyer: _____

Buyer: _____

EXHIBIT C
ADDITIONAL ESCROW INSTRUCTIONS



STATE OF MARYLAND
REAL ESTATE COMMISSION

Understanding Whom Real Estate Agents Represent

THIS NOTICE IS NOT A CONTRACT

In this form "seller" includes "landlord"; "buyer" includes "tenant"; and "purchase" or "sale" includes "lease"

Agents Who Represent the Seller

Seller's Agent: A seller's agent works for the real estate company that lists and markets the property for the sellers and exclusively represents the sellers. A Seller's agent may assist the buyer in purchasing the property, but his or her duty of loyalty is only to the seller.

Subagent: A Subagent means a licensed real estate broker, licensed associate real estate broker, or licensed real estate salesperson who is not affiliated with or acting as the listing real estate broker for a property, is not a buyer's agent, has an agency relationship with the seller, and assists a prospective buyer in the acquisition of real estate for sale in a non-agency capacity. The subagent works for a real estate company different from the company for which the seller's agent works. The subagent can assist a buyer in purchasing a property, but his or her duty of loyalty is only to the seller.

If you are viewing a property listed by the company with whom the agent accompanying you is affiliated, and you have not signed a Buyer Agency Agreement and a "Consent for Dual Agency" form, that agent is representing the seller

Agents Who Represent the Buyer

Buyer's Agent : A buyer may enter into a written contract with a real estate broker which provides that the broker will represent the buyer in locating a property to buy. The agent from that broker's company is then known as the buyer's agent. The buyer's agent assists the buyer in evaluating properties and preparing offers and developing negotiation strategies and works in the best interest of the buyer. The agent's fee is paid according to the written agreement between the broker and the buyer. If you as a buyer wish to have an agent represent you, you must enter into a written buyer agency agreement.

Dual Agents

The possibility of **dual agency** arises when the buyer's agent and the seller's agent both work for the same real estate company, and the buyer is interested in property listed by that company. The real estate broker or the broker's designee, is called the "dual agent." Dual agents do not act exclusively in the interests of either the seller or buyer, and therefore cannot give undivided loyalty to either party. There may be a conflict of interest because the interests of the seller and buyer may be different or adverse.

If both seller and buyer agree to dual agency by signing a Consent For Dual Agency form, the "dual agent" (the broker or the broker's designee) shall assign one agent to represent the seller (the seller's "intra-company agent") and another agent to represent the buyer (the buyer's "intra-company agent"). Intra-company agents are required to provide the same services to their clients that agents provide in transactions not involving dual agency, including advising their clients as to price and negotiation strategies.

If either party does not agree to dual agency, the real estate company must withdraw the agency agreement for that particular property with either the buyer or seller, or both. If the seller's agreement is terminated, the seller must then either represent him or herself or arrange to be represented by an agent from another real estate broker/company. If the buyer's agreement is terminated, the buyer may choose to enter into a written buyer agency agreement with a different broker/ company. Alternatively, the buyer may choose not to be represented by an agent of his or her own but simply to receive assistance from the seller's agent, from another agent in that company, or from a subagent from another company.

No matter what type of agent you choose to work with, you have the following rights and responsibilities in selling or buying property:

- >Real estate agents are obligated by law to treat all parties to a real estate transaction honestly and fairly. They must exercise reasonable care and diligence and maintain the confidentiality of clients. They must not discriminate in the offering of properties; they must promptly present each written offer or counteroffer to the other party; and they must answer questions truthfully.
- >Real estate agents must disclose all material facts that they know or should know relating to a property. An agent's duty to maintain confidentiality does not apply to the disclosure of material facts about a property.
- >All agreements with real estate brokers and agents must be in writing and explain the duties and obligations of both the broker and the agent. The agreement must explain how the broker and agent will be paid and any fee-sharing agreements with other brokers.
- >You have the responsibility to protect your own interests. You should carefully read all agreements to make sure they accurately reflect your understanding. A real estate licensee is qualified to advise you on real estate matters only. If you need legal or tax advice, it is your responsibility to consult a licensed attorney or accountant.

Any complaints about a real estate licensee may be filed with the Real Estate Commission at 500 North Calvert Street, Baltimore, MD 21202. (410) 230-6205

We, the Sellers/Landlord Buyers/Tenants acknowledge receipt of a copy of this disclosure and that Auction.com (firm name) and Scott Reid (salesperson) are working as:

(You may check more than one box but not more than two)

- seller/landlord's agent
- subagent of the Seller
- buyer's /tenant's agent

_____ Signature	_____ (Date)	_____ Signature	_____ (Date)
* * * * *			

I certify that on this date I made the required agency disclosure to the individuals identified below and they were **unable or unwilling** to acknowledge receipt of a copy of this disclosure statement

Name of Individual to whom disclosure made

Name of Individual to whom disclosure made

Agent's Signature

(Date)

funding as a result of the Purchaser's selected lender shall be the responsibility of the Purchaser, and the failure to close on or before the Expiration Date (as extended, if applicable) will result in loss of Purchaser's earnest money deposit.

4. **Use of Property:** The Purchaser (check one): will will not use and occupy the Property as Purchaser's primary residence. Purchaser hereby acknowledges that occupancy of the Property shall be subject to any rights of possession of the former mortgagor and others until the expiration of any redemption or confirmation period in connection with the foreclosure of the Property. Prior to expiration of any such right of possession, the Purchaser will not be able to use and occupy the Property as Purchaser's primary residence.
5. **Inspections:**
- (a) The Purchaser acknowledges that prior to the execution of the Agreement, if the Property is occupied, the Purchaser may not have sufficient opportunity to inspect the Property or obtain for Purchaser's own use, benefit and reliance, inspections and/or reports on the condition of the Property. If the Purchaser is unable to inspect the property or if the Purchaser fails to inspect the Property when permissible, Purchaser hereby waives such inspection and any objections to the condition of the Property and has accepted the Property in "as is" condition. The Purchaser shall not take any actions that cause the Property to be subject to any claims or liens and shall indemnify and hold the Seller harmless from all liability claims, demands, damages, and costs related to the Purchaser's inspection and the Purchaser shall repair all damages arising from or caused by the inspections. The Purchaser shall not directly or indirectly cause any inspections to be made by any government building or zoning inspectors or government employees without the prior written consent of the Seller, unless required by law, in which case, the Purchaser shall provide reasonable notice to the Seller prior to any such inspection. The Purchaser acknowledges that any inspections of the Property will be at Purchaser's expense and that the Seller will not reimburse Purchaser for expenses associated with any inspection even if the closing does not close due to the Seller's termination of the Agreement in accordance with the terms hereof.
- (b) If the Property is a condominium or planned unit development or co-operative, unless otherwise required by law, the Purchaser, at the Purchaser's own expense, is responsible for obtaining and reviewing the covenants, conditions and restrictions and bylaws of the condominium, or planned unit development or cooperative ("Governing Documents"). The Seller agrees to use reasonable efforts, as determined at the Seller's sole discretion, to assist the Purchaser in obtaining a copy of the covenants, conditions and restrictions and bylaws. The Purchaser will be deemed to have accepted the Governing Documents if the Purchaser does not provide the Seller notice in writing, within fifteen (15) calendar days of the Effective Date, of the Purchaser's disapproval of the Governing Documents. In the event Purchaser disapproves of the Governing Documents, Purchaser has the right to terminate the Agreement and have its earnest money deposit returned; provided that the Purchaser notifies Seller in writing of Purchaser's disapproval within fifteen (15) calendar days of the Effective Date.
6. **Repairs:** Neither the Purchaser, nor its representatives, shall enter upon the Property to make any repairs and/or treatments prior to closing. The Purchaser acknowledges that closing on this transaction shall be deemed the Purchaser's reaffirmation that the Purchaser is satisfied with the condition of the Property and Purchaser waives all claims related to such condition of the Property. THE PURCHASER AGREES TO EXECUTE AND DELIVER TO THE SELLER AT CLOSING FANNIE MAE'S WAIVER & RELEASE.
7. **CONDITION OF PROPERTY:** THE PURCHASER UNDERSTANDS THAT THE SELLER ACQUIRED THE PROPERTY BY FORECLOSURE, DEED-IN-LIEU OF FORECLOSURE, FORFEITURE, TAX SALE, OR SIMILAR PROCESS AND CONSEQUENTLY, THE SELLER HAS LITTLE OR NO DIRECT KNOWLEDGE CONCERNING THE CONDITION OF THE PROPERTY. AS A MATERIAL PART OF THE CONSIDERATION TO BE RECEIVED BY THE SELLER UNDER THE AGREEMENT AS NEGOTIATED AND AGREED TO BY THE PURCHASER AND THE SELLER, THE PURCHASER ACKNOWLEDGES AND AGREES TO ACCEPT THE PROPERTY IN "AS IS" CONDITION AT THE TIME OF CLOSING, INCLUDING, WITHOUT LIMITATION, ANY DEFECTS OR ENVIRONMENTAL CONDITIONS AFFECTING THE PROPERTY, WHETHER KNOWN OR UNKNOWN, WHETHER SUCH DEFECTS OR CONDITIONS WERE DISCOVERABLE THROUGH INSPECTION

PURCHASER (Initials) _____

SELLER (Initials) _____

OR NOT. THE PURCHASER ACKNOWLEDGES THAT THE SELLER, ITS AGENTS AND REPRESENTATIVES HAVE NOT MADE AND THE SELLER SPECIFICALLY NEGATES AND DISCLAIMS ANY REPRESENTATIONS, WARRANTIES, PROMISES, COVENANTS, AGREEMENTS OR GUARANTEES, IMPLIED OR EXPRESS, ORAL OR WRITTEN IN RESPECT TO:

- (A) THE PHYSICAL CONDITION OR ANY OTHER ASPECT OF THE PROPERTY INCLUDING THE STRUCTURAL INTEGRITY OR THE QUALITY OR CHARACTER OF MATERIALS USED IN CONSTRUCTION OF ANY IMPROVEMENTS (E.G. DRYWALL, ASBESTOS, LEAD PAINT, UREA FORMALDEHYDE FOAM INSULATION), AVAILABILITY AND QUANTITY OR QUALITY OF WATER, STABILITY OF THE SOIL, SUSCEPTIBILITY TO LANDSLIDE OR FLOODING, SUFFICIENCY OF DRAINAGE, WATER LEAKS, WATER DAMAGE, MOLD OR ANY OTHER MATTER AFFECTING THE STABILITY, INTEGRITY, OR CONDITION OF THE PROPERTY OR IMPROVEMENTS;**
- (B) THE CONFORMITY OF THE PROPERTY OR THE IMPROVEMENTS TO ANY ZONING, LAND USE OR BUILDING CODE REQUIREMENTS OR COMPLIANCE WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY FEDERAL, STATE OR LOCAL GOVERNMENTAL AUTHORITY, OR THE GRANTING OF ANY REQUIRED PERMITS OR APPROVALS, IF ANY, OF ANY GOVERNMENTAL BODIES WHICH HAD JURISDICTION OVER THE CONSTRUCTION OF THE ORIGINAL STRUCTURE, ANY IMPROVEMENTS AND/OR ANY REMODELING OF THE STRUCTURE; AND**
- (C) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY OR IMPROVEMENTS INCLUDING REDHIBITORY VICES AND DEFECTS, APPARENT, NON APPARENT OR LATENT, WHICH NOW EXIST OR WHICH MAY HEREAFTER EXIST AND WHICH, IF KNOWN TO THE PURCHASER, WOULD CAUSE THE PURCHASER TO REFUSE TO PURCHASE THE PROPERTY.**

Mold, mildew, spores and/or other microscopic organisms and/or allergens (collectively referred to in the Agreement as “Mold”) are environmental conditions that are common in residential properties and may affect the Property. Mold, in some forms, has been reported to be toxic and to cause serious physical injuries, including but not limited to, allergic and/or respiratory reactions or other problems, particularly in persons with immune system problems, young children and/or elderly persons. Mold has also been reported to cause extensive damage to personal and real property. Mold may have been removed or covered in the course of any cleaning or repairing of the Property. The Purchaser acknowledges that, if Seller, or any of Seller’s employees, contractors, or agents cleaned or repaired the Property or remediated Mold contamination, that Seller does not in any way warrant the cleaning, repairs or remediation. Purchaser accepts full responsibility for all hazards that may result from the presence of Mold in or around the Property. The Purchaser is satisfied with the condition of the Property notwithstanding the past or present existence of Mold in or around the Property and Purchaser has not, in any way, relied upon any representations of Seller, Seller’s employees, officers, directors, contractors, or agents concerning the past or present existence of Mold in or around the Property.

If at any time the Property conditions result in violations of building code or other laws or regulations, either party shall have the right to terminate the Agreement at any time prior to closing. If there is an enforcement proceeding arising from allegations of such violations before an enforcement board, special master, court or similar enforcement body, and neither the Purchaser nor the Seller terminate the Agreement, the Purchaser agrees (a) to accept the Property subject to the violations, (b) to be responsible for compliance with the applicable code and with orders issued in any code enforcement proceeding and (c) to resolve the deficiencies as soon as possible after the closing. The Purchaser agrees to execute any and all documents necessary or required for closing by any agency with jurisdiction over the Property. The Purchaser further agrees to indemnify the Seller from any and all claims or liability arising from the Purchaser’s breach of this Section 7 of this Addendum.

The closing of this sale shall constitute acknowledgement by the Purchaser that Purchaser had the opportunity to retain an independent, qualified professional to inspect the Property or that the Purchaser has waived such inspection and that the condition of the Property is acceptable to the Purchaser. The Purchaser agrees that the Seller shall have no liability for

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any claims or losses the Purchaser or the Purchaser's successors or assigns may incur as a result of construction or other defects which may now or hereafter exist with respect to the Property.

- 8. Occupancy Status of Property: The Purchaser acknowledges that neither the Seller, nor its representatives, agents or assigns, has made any warranties or representations, implied or expressed, relating to the existence of any tenants or occupants at the Property unless otherwise noted in Section 38 of this Addendum. Seller represents that the Property may have tenants, former mortgagors or others occupying same pursuant to applicable laws or under an active lease but expressly disclaims any warranties regarding the validity, enforceability, performance under or continuation of said lease. The Purchaser acknowledges that closing on this transaction shall be deemed the Purchaser's reaffirmation that neither the Seller, nor its representatives, agents or assigns, has made any warranties or representations, implied or expressed, relating to the existence of any tenants or other occupants at the Property unless otherwise noted in Section 38 of this Addendum. Purchaser hereby agrees that they will not approach, contact or involve themselves in any way in any discussions or communications with any tenant or other occupant of the Property. Any breach of this provision shall be cause for Seller to terminate the Agreement and retain the Purchaser's earnest money deposit. The Seller, its representatives, agents or assigns, shall not be responsible for evicting or relocating any tenants, occupants or personal property at the Property prior to or subsequent to closing unless otherwise noted in Section 38 of this Addendum. All leases shall be deemed assigned to Purchaser upon closing to the extent permitted under applicable laws and Purchaser assumes all obligations as landlord or owner under said leases.

The Purchaser further acknowledges that, to the best of the Seller's knowledge, the Seller is not holding any security deposits from former or current tenants and has no information as to such security deposits as may have been paid by the former or current tenants to anyone and agrees that no sums representing such tenant security deposits shall be transferred to the Purchaser as part of this transaction. The Purchaser further agrees to assume all responsibility and liability for the refund of such security deposits to the tenants pursuant to the provisions of applicable laws and regulations. Any rents collected from tenants will be retained by Seller and will not be prorated at closing.

The Purchaser acknowledges that this Property may be subject to the provisions of local rent control ordinances and regulations. The Purchaser agrees that upon the closing, all eviction proceedings and other duties and responsibilities of a property owner and landlord, including but not limited to those proceedings required for compliance with such local rent control ordinances and regulations, will be solely the responsibility of the Purchaser.

- 9. Personal Property: Items of personal property, including but not limited to window coverings, appliances, manufactured homes, mobile homes, vehicles, spas, antennas, satellite dishes and garage door openers, now or hereafter located on the Property are not included in this sale or the Purchase Price unless the personal property is specifically described and referenced in Section 38 of this Addendum. Any personal property at or on the Property may be subject to claims by third parties and, therefore, may be removed from the Property prior to or after the Settlement Date. The Seller makes no representation or warranty as to the condition of any personal property, title thereto, or whether any personal property is encumbered by any liens. The Seller assumes no responsibility for any personal property remaining on the Property at the time of closing.

10. Closing Costs and Adjustments:

- (a) The parties will not prorate for any taxes, costs or expenses due on or incurred in connection with the ownership or operation of any Property. Purchaser will be solely responsible for all municipal water and sewer charges, utility charges, real estate taxes and assessments, common area charges, condominium or planned unit development or similar community assessments, co-operative fees, maintenance fees and rents, if any, whether due prior to, on or after the Closing Date. Seller will not be responsible for any taxes, penalties or interest assessed or due as a result of retroactive, postponed or additional taxes resulting from any change in use of, or construction on, or improvement to any Property, or an adjustment in the appraised value of any Property. This Section 10(a) will survive the closing and Settlement Date.
- (b) Fannie Mae is a congressionally chartered corporation and is exempt from realty transfer taxes pursuant to 12 U.S.C. 1723a(c)(2); however, real estate transfer taxes may be assessed against the Purchaser or Fannie Mae's exemption may not be recognized or may be challenged by State, County or local authorities, and such taxes shall be the sole

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responsibility of the Purchaser. **Regardless of local custom, requirements or practice, the Purchaser shall pay any and all realty transfer taxes due as a result of the conveyance of the Property. The Purchaser shall pay all other costs and fees incurred in the transfer of the Property, including cost of any survey, title policy, escrow or closing fees and lender required fees, except as expressly assumed by the Seller in Section 38 of this Addendum.**

- (c) The Seller shall pay the real estate commission per the listing agreement between the Seller and the Seller's listing broker.
- (d) If applicable, the Purchaser agrees to execute and deliver to the Seller at Closing Fannie Mae's tax proration agreement.
- (e) **Title and Closing Services. Purchaser will obtain title and escrow closing services from (Purchaser to select option below and initial in the space provided):**

Seller's escrow closing provider.

Other escrow closing and title provider

- 11. **Delivery of Funds:** Regardless of local custom, requirements, or practice, upon delivery of the deed by the Seller to the Purchaser, the Purchaser shall deliver, or cause to be delivered, all funds due the Seller from the sale in the form of cash, bank check, certified check or wire transfer. An attorney's trust fund check shall not be sufficient to satisfy this provision unless the bank holding the account on which the trust fund check is drawn certifies the trust fund check.
- 12. **Certificate of Occupancy:** If the Property is located in a jurisdiction that requires a certificate of occupancy, smoke detector certification, septic certification or any similar certification or permit ("Certificate of Occupancy") or any form of improvement or repair to the Property to obtain such Certificate of Occupancy necessary for the Property to be occupied, the Purchaser understands that the Seller requires the Certificate of Occupancy to be obtained by the Purchaser at the Purchaser's sole expense. The Purchaser shall make application for all Certificates of Occupancy within ten (10) calendar days of the Acknowledgment Date. The Purchaser shall not have the right to delay the closing due to the Purchaser's failure or inability to obtain any required Certificate of Occupancy. Failure of the Purchaser to obtain and furnish the Certificate of Occupancy shall be a material breach of the Agreement.
- 13. **Delivery of Possession of Property:** The Seller shall deliver possession of the Property to the Purchaser at closing. The delivery of possession shall be subject to the rights of any tenants or parties in possession per Section 8 of this Addendum. If the Purchaser alters the Property or causes the Property to be altered in any way and/or occupies the Property or allows any other person to occupy the Property prior to closing without the prior written consent of the Seller, such event shall constitute a breach by the Purchaser under the Agreement and the Seller may terminate the Agreement and the Purchaser shall be liable to the Seller for damages caused by any such alteration or occupation of the Property prior to closing and waives any and all claims for damages or compensations for alterations made by the Purchaser to the Property including, but not limited to, any claims for unjust enrichment.
- 14. **Deed:** Regardless of local practice, the Deed to be delivered by Seller at closing shall be a deed that only covenants that grantor grants only that title which grantor may have. Any reference to the term "Deed" herein shall be construed to refer to such form of deed. Under no circumstances shall Seller be required to deliver any form of deed which grants either a limited, special or general warranty of title.

(check if applicable) Seller's Deed shall include the following deed restriction:

GRANTEE HEREIN SHALL BE PROHIBITED FROM CONVEYING CAPTIONED PROPERTY FOR A SALES PRICE OF GREATER THAN \$ 6,600.00 FOR A PERIOD OF 3 MONTH(S) FROM THE DATE OF THE RECORDING OF THIS DEED. GRANTEE SHALL ALSO BE PROHIBITED FROM ENCUMBERING SUBJECT PROPERTY WITH A SECURITY INTEREST IN THE PRINCIPAL AMOUNT OF GREATER THAN \$ 6,600.00 FOR A PERIOD OF 3 MONTH(S) FROM THE DATE OF THE RECORDING OF THIS DEED. THESE RESTRICTIONS SHALL RUN WITH THE LAND AND ARE NOT PERSONAL TO GRANTEE. THIS

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RESTRICTION SHALL TERMINATE IMMEDIATELY UPON CONVEYANCE AT ANY FORECLOSURE SALE RELATED TO A MORTGAGE OR DEED OF TRUST.

15. Defects in Title: The Seller has not covenanted to correct any title issues. The Seller is not obligated to remove any exception or to bring any action or proceeding or bear any expense in order to convey title to the Property or to make the title marketable and/or insurable, and any attempt by the Seller to remove such title exceptions shall not impose an obligation upon the Seller to remove those exceptions. The Purchaser acknowledges that the Seller's title to the Property may be subject to court approval of foreclosure or to mortgagor's right of redemption. The Purchaser shall have 10 calendar days from the Effective Date of this Agreement to examine title to the Property. If the Purchaser objects to the status of title on or before the 10th calendar day from the Effective Date of the Agreement, the Purchaser may terminate the Agreement and any earnest money deposit will be returned to the Purchaser as the Purchaser's sole remedy at law or equity. Settlement and closing on the purchase of the Property shall be deemed acceptance by the Purchaser of the status of title to the Property.

16. Representations and Warranties:

The Purchaser represents and warrants to the Seller the following:

- (a) The Purchaser is purchasing the Property solely in reliance on its own investigation and, if applicable, inspection of the Property and not on any information, representation or warranty provided or to be provided by the Seller, its servicers, representatives, brokers, employees, agents or assigns;
- (b) Neither the Seller, nor its servicers, employees, representatives, brokers, agents or assigns, has made any representations or warranties, implied or expressed, relating to the condition of the Property or the contents thereof, except as expressly set forth in Section 38 of this Addendum;
- (c) The Purchaser has not relied on any representation or warranty from the Seller regarding the nature, quality or workmanship of any repairs made by the Seller; and
- (d) The Purchaser will not occupy or cause or permit others to occupy the Property prior to closing and, unless and until any necessary Certificate of Occupancy has been obtained from the appropriate governmental entity, will not occupy or cause or permit others to occupy the Property after closing.
- (e) The undersigned, if executing the Agreement on behalf of the Purchaser that is a corporation, partnership, trust or other entity, represents and warrants that he/she is authorized by that entity to enter into the Agreement and bind the entity to perform all duties and obligations stated in the Agreement; and
- (f) The Purchaser (check one) has _____ has not previously purchased a Fannie Mac owned property.

17. WAIVERS:

AS A MATERIAL PART OF THE CONSIDERATION TO BE RECEIVED BY THE SELLER UNDER THE AGREEMENT AS NEGOTIATED AND AGREED TO BY THE PURCHASER AND THE SELLER, THE PURCHASER WAIVES THE FOLLOWING:

- (A) **ALL RIGHTS TO FILE AND MAINTAIN AN ACTION AGAINST THE SELLER FOR SPECIFIC PERFORMANCE;**
- (B) **RIGHT TO RECORD A LIS PENDENS AGAINST THE PROPERTY OR TO RECORD THE AGREEMENT OR A MEMORANDUM THEREOF IN THE REAL PROPERTY RECORDS;**

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- (C) **RIGHT TO INVOKE ANY OTHER EQUITABLE REMEDY THAT MAY BE AVAILABLE THAT IF INVOKED, WOULD PREVENT THE SELLER FROM CONVEYING THE PROPERTY TO A THIRD PARTY PURCHASER;**
- (D) **ANY AND ALL CLAIMS ARISING FROM THE ADJUSTMENTS OR PRORATIONS OR ERRORS IN CALCULATING THE ADJUSTMENTS OR PRORATIONS THAT ARE OR MAY BE DISCOVERED AFTER CLOSING;**
- (E) **ANY CLAIMS FOR FAILURE OF CONSIDERATION AND/OR MISTAKE OF FACT AS SUCH CLAIMS RELATE TO THE PURCHASE OF THE PROPERTY OR ENTERING INTO OR EXECUTION OF OR CLOSING UNDER THE AGREEMENT;**
- (F) **ANY REMEDY OF ANY KIND, INCLUDING BUT NOT LIMITED TO RESCISSION OF THE AGREEMENT, OTHER THAN AS EXPRESSLY PROVIDED IN SECTION 19 OF THIS ADDENDUM, TO WHICH THE PURCHASER MIGHT OTHERWISE BE ENTITLED AT LAW OR EQUITY WHETHER BASED ON MUTUAL MISTAKE OF FACT OR LAW OR OTHERWISE;**
- (G) **TRIAL BY JURY, EXCEPT AS PROHIBITED BY LAW, IN ANY LITIGATION ARISING FROM OR CONNECTED WITH OR RELATED TO THE AGREEMENT;**
- (H) **ANY CLAIMS OR LOSSES THE PURCHASER MAY INCUR AS A RESULT OF CONSTRUCTION ON, REPAIR TO, OR TREATMENT OF THE PROPERTY, OR OTHER DEFECTS, WHICH MAY NOW OR HEREAFTER EXIST WITH RESPECT TO THE PROPERTY;**
- (I) **ANY CLAIMS OR LOSSES RELATED TO ENVIRONMENTAL CONDITIONS AFFECTING THE PROPERTY INCLUDING, BUT NOT LIMITED TO, MOLD, DRYWALL, LEAD PAINT, FUEL OIL, ALLERGENS, OR OTHER TOXIC SUBSTANCES OF ANY KIND;**
- (J) **ANY RIGHT TO AVOID THIS SALE OR REDUCE THE PRICE OR HOLD THE SELLER RESPONSIBLE FOR DAMAGES ON ACCOUNT OF THE CONDITION OF THE PROPERTY, LACK OF SUITABILITY AND FITNESS, OR REDHIBITORY VICIES AND DEFECTS, APPARENT, NONAPPARENT OR LATENT, DISCOVERABLE OR NONDISCOVERABLE;**
- (K) **ANY CLAIM ARISING FROM ENCROACHMENTS, EASEMENTS, SHORTAGES IN AREA OR ANY OTHER MATTER WHICH WOULD BE DISCLOSED OR REVEALED BY A SURVEY OR INSPECTION OF THE PROPERTY OR SEARCH OF PUBLIC RECORDS; AND**
- (L) **ANY RIGHT TO MEDIATION OR ARBITRATION RELATING TO OR ARISING UNDER OR FROM THE AGREEMENT, EXCEPT AS PROHIBITED BY LAW.**

References to the "Seller" in this Section 17 of this Addendum shall include the Seller and the Seller's servicers, representatives, agents, brokers, employees, and/or assigns.

In the event that the Purchaser breaches any of the terms described or contemplated under this Section 17 of this Addendum, the Purchaser shall pay all reasonable attorneys fee and costs incurred by the Seller in defending such action, and the Purchaser shall pay Five Thousand Dollars (\$5,000) as liquidated damages for breach of this Section 17 of this Addendum, which amount shall be in addition to any liquidated damages held or covered by the Seller pursuant to Section 19 of this Addendum.

18. Conditions to the Seller's Performance: The Seller shall have the right, at the Seller's sole discretion, to extend the Expiration Date or to terminate the Agreement if:

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- (a) full payment of any mortgage insurance claim related to the loan previously secured by the Property is not confirmed prior to the Settlement Date or the mortgage insurance company exercises its right to acquire title to the Property;
- (b) the Seller at any time has requested that the servicing lender, or any other party, repurchase the loan previously secured by the Property and/or such lender or other party has elected to repurchase the property;
- (c) a third party with rights related to the sale of the property does not approve the sale terms;
- (d) full payment of any property, fire or hazard insurance claim is not confirmed prior to the closing;
- (e) any third party, whether tenant, homeowner’s association, or otherwise, exercises rights under a right of first refusal to purchase the Property;
- (f) the Purchaser is the former mortgagor of the Property, or is related to or affiliated in any way with the former mortgagor, and the Purchaser has not disclosed this fact to the Seller prior to the Seller’s acceptance of the Agreement. Such failure to disclose shall constitute default under the Agreement, entitling the Seller to exercise any of its rights and remedies, including, without limitation, retaining the earnest money deposit;
- (g) the Seller, at the Seller’s sole discretion, determines that the sale of the Property to the Purchaser or any related transactions are in any way associated with illegal activity of any kind;
- (h) the Agreement was accepted and executed by Seller in noncompliance with Fannie Mae procedures or guidelines;
- (i) Seller determines in its sole discretion that the sale of the Property will subject Seller to liability and/or have an impact on pending, threatened or potential litigation; or
- (j) material misrepresentation by the Purchaser.

In the event the Seller elects to terminate the Agreement as a result of (a), (b), (c), (d), (e), (g), (h) or (i) above, the Seller shall return the Purchaser’s earnest money deposit.

19. Remedies for Default:

- (a) In the event of the Purchaser’s default, material breach or material misrepresentation of any fact under the terms of the Agreement, the Seller, at its option, may retain the earnest money deposit and any other funds then paid by the Purchaser as liquidated damages and/or invoke any other remedy available to Seller at law and/or equity and the Seller is automatically released from the obligation to sell the Property to the Purchaser and neither the Seller nor its representatives, agents, attorneys, successors, or assigns shall be liable to the Purchaser for any damages of any kind as a result of the Seller's failure to sell and convey the Property. Purchaser hereby agrees to execute any termination forms requested by the escrow agent in connection with Seller’s election to terminate the Agreement; however, failure of the Purchaser to execute any such forms shall not affect Seller’s rights and remedies under the Agreement. Purchaser hereby grants to Seller the unilateral right to execute cancellation instructions in the event that Seller elects to terminate the Agreement.
- (b) In the event of the Seller’s default or material breach under the terms of the Agreement or if the Seller terminates the Agreement as provided under the provisions of Paragraph 18 (a), (b), (c), (d), (e), (g), (h) or (i) of this Addendum, the Purchaser shall be entitled to the return of the earnest money deposit as Purchaser’s sole and exclusive remedy at law and/or equity. The Purchaser waives any rights to file and maintain an action against the Seller for specific performance and the Purchaser acknowledges that a return of its earnest money deposit can adequately and fairly compensate the Purchaser. Upon return of the earnest money deposit to the Purchaser, the Agreement shall be terminated, and the Purchaser and the Seller shall have no further liability or obligation, each to the other in connection with the Agreement.

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- (c) The Purchaser agrees that the Seller shall not be liable to the Purchaser for any special, consequential or punitive damages whatsoever, whether in contract, tort (including negligence and strict liability) or any other legal or equitable principle, including but not limited to any cost or expense incurred by the Purchaser in selling or surrendering a lease on a prior residence, obtaining other living accommodations, moving, storage or relocation expenses or any other such expense or cost arising from or related to the Agreement or a breach of the Agreement.
- (d) Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any different or subsequent breach.
- (e) In the event either party elects to exercise its remedies as described in this Section 19 of this Addendum and the Agreement is terminated, the parties shall have no further obligation under the Agreement except as to any provision that survives the termination of the Agreement pursuant to Section 24 of this Addendum.

20. **Indemnification:** The Purchaser agrees to indemnify and fully protect, defend, and hold the Seller, its officers, directors, employees, shareholders, servicers, representatives, agents, attorneys, tenants, brokers, successors or assigns harmless from and against any and all claims, costs, liens, loss, damages, attorney's fees and expenses of every kind and nature that may be sustained by or made against the Seller, its officers, directors, employees, shareholders, servicers, representatives, agents, attorneys, tenants, brokers, successors or assigns, resulting from or arising out of:

- (a) inspections or repairs made by the Purchaser or its agents, employees, contractors, successors or assigns;
- (b) claims, liabilities, fines or penalties resulting from the Purchaser's failure to timely obtain any Certificate of Occupancy or to comply with equivalent laws and regulations;
- (c) claims for amounts due and owed by the Seller for taxes, homeowner association dues or assessment or any other items prorated under Section 10 of this Addendum, including any penalty or interest and other charges, arising from the proration of such amounts for which the Purchaser received a credit at closing under Section 10 of this Addendum; and
- (d) the Purchaser's or the Purchaser's tenants, agents or representatives use and /or occupancy of the Property prior to The Settlement Date and/or issuance of required certificates of occupancy.

21. **Risk of Loss:** In the event of fire, destruction or other casualty loss to the Property after the Seller's acceptance of the Agreement and prior to closing, the Seller may, at its sole discretion, repair or restore the Property, or the Seller may terminate the Agreement. If the Seller elects to repair or restore the Property, then Seller may, at its sole discretion, limit the amount to be expended. Whether or not Seller elects to repair or restore the Property, the Purchaser's sole and exclusive remedy shall be either to acquire the Property in its then condition at the Purchase Price with no reduction thereof by reason of such loss or terminate the Agreement and receive a refund of any earnest money deposit.

22. **Eminent Domain:** In the event that the Seller's interest in the Property, or any part thereof, shall have been taken by eminent domain or shall be in the process of being taken on or before the Settlement Date, either party may terminate the Agreement and the earnest money deposit shall be returned to the Purchaser and neither party shall have any further rights or liabilities hereunder except as provided in Section 24 of this Addendum.

23. **Keys:** The Purchaser understands that the Seller may not be in possession of keys, including but not limited to, mailbox keys, recreation area keys, gate cards, or automatic garage remote controls, and any cost of obtaining the same will be the responsibility of the Purchaser. The Purchaser also understands that if the Property includes an alarm system, the Seller cannot provide the access code and/or key and that the Purchaser is responsible for any costs associated with the alarm and/or changing the access code or obtaining keys. If the Property is presently on a Master Key System, the Seller will re-key the exterior doors to the Property prior to closing at the Purchaser's expense. The Purchaser authorizes and instructs escrow holder to charge the account of the Purchaser at closing for the rekey.

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24. **Survival:** Delivery of the deed to the Property to the Purchaser by the Seller shall be deemed to be full performance and discharge of all of the Seller's obligations under the Agreement. Notwithstanding anything to the contrary in the Agreement, any provision which contemplates performance or observance subsequent to any termination or expiration of the Agreement, shall survive the closing and/or termination of the Agreement by any party and continue in full force and effect.
25. **Further Assurances:** The Purchaser agrees to execute and deliver to the Seller at closing, or otherwise as requested by the Seller, documents including Fannie Mae's Waiver and Release, Tax Proration Agreement or documents that are substantially the same, and to take such other action as reasonably may be necessary to further the purpose of the Agreement. Copies of referenced documents are available from the Seller's listing agent upon request by the Purchaser.
26. **Severability:** The lack of enforceability of any provision of the Agreement shall not affect the enforceability of any other provision of the Agreement, all of which shall remain in full force and effect.
27. **Assignment of Agreement:** The Purchaser shall not assign the Agreement without the express written consent of the Seller. The Seller may assign the Agreement at its sole discretion without prior notice to, or consent of, the Purchaser.
28. **EFFECT OF ADDENDUM: THIS ADDENDUM AMENDS AND SUPPLEMENTS THE CONTRACT AND, IF APPLICABLE, ESCROW INSTRUCTIONS. IN THE EVENT THERE IS ANY CONFLICT BETWEEN THIS ADDENDUM AND THE CONTRACT OR ESCROW INSTRUCTIONS OR NOTICE OR OTHER DOCUMENTS ATTACHED AND MADE A PART OF THE AGREEMENT, THE TERMS OF THIS ADDENDUM TAKE PRECEDENCE AND SHALL PREVAIL EXCEPT AS OTHERWISE PROVIDED BY LAW.**
29. **Entire Agreement:** The Agreement constitutes the entire agreement between the Purchaser and the Seller concerning the subject matter hereof and supersedes all previous communications, understandings, representations, warranties, covenants or agreements, either written or oral and there are no oral or other written agreements between the Purchaser and the Seller. All negotiations are merged into the Agreement. The Seller is not obligated by any other written or oral statements made by the Seller, the Seller's representatives, or any real estate licensee.
30. **Modification:** No provision, term or clause of the Agreement shall be revised, modified, amended or waived except by an instrument in writing signed by the Purchaser and the Seller.
31. **Rights of Others:** The Agreement does not create any rights, claims or benefits inuring to any person or entity, other than Seller's successors and/or assigns, that is not a party to the Agreement, nor does it create or establish any third party beneficiary to the Agreement.
32. **Counterparts:** The Agreement may be executed in any number of counterparts and each such counterpart shall be deemed to be an original, but all of which, when taken together, shall constitute one agreement.
33. **Headings:** The titles to the sections and headings of various paragraphs of the Agreement are placed for convenience of reference only and in case of conflict, the text of the Agreement, rather than such titles or headings shall control.
34. **Electronic Signatures:** An electronic signature shall be given the same effect as a written signature.
35. **Force Majeure:** Except as provided in Section 21 to this Addendum, no party shall be responsible for delays or failure of performance resulting from acts of God, riots, acts of war and terrorism, epidemics, power failures, earthquakes or other disasters, providing such delay or failure of performance could not have been prevented by reasonable precautions and cannot reasonably be circumvented by such party through use of alternate sources, workaround plans or other means.
36. **Attorney Review:** The Purchaser acknowledges that Purchaser has had the opportunity to consult with its legal counsel regarding the Agreement and that accordingly the terms of the Agreement are not to be construed against any party because that party drafted the Agreement or construed in favor of any Party because that Party failed to understand the legal effect of the provisions of the Agreement.

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37. **Notices:** Any notices required to be given under the Agreement shall be deemed to have been delivered when actually received in the case of hand or overnight delivery, or five (5) calendar days after mailing by first class mail, postage paid, or by fax with confirmation of transmission to the numbers below. All notices to the Seller will be deemed sent or delivered to the Seller when sent or delivered to Seller’s listing broker or agent or Seller’s attorney, at the address or fax number shown below. All notices to the Purchaser shall be deemed sent or delivered when sent or delivered to the Purchaser or the Purchaser’s attorney or agent at the address or fax number shown below.

38. Additional Terms or Conditions:

Seller further discloses that the Property is subject to the following, and possibly additional, litigation:

Case#: _____, styled _____ v. _____ filed in _____

Case#: _____, styled _____ v. _____ filed in _____

(collectively, “Litigation”). The Litigation may involve claims or challenges relating to, without limitation, Seller’s title, ownership, or possession interests in the Property and claims relating to substandard or illegal conditions existing on or in the Property. Purchaser acknowledges that there may be additional litigation or outstanding code violations related to the Property not listed above. Purchaser is aware that the Property may not comply with the state sanitary code, building code or other applicable laws concerning the condition of the Property. Purchaser agrees that the closing of this sale shall constitute acknowledgement by the Purchaser that Purchaser had the opportunity to retain the advice of an attorney to review the Litigation and other litigation and code violations and Purchaser hereby accepts the premises and title as-is, and agrees to hold harmless Seller, its attorneys and agents, for any liability incurred or loss suffered in connection with the Litigation, the condition of the premises and title of the Property.

Seller is not providing title insurance.

Purchaser further agrees that it will not enter into any contract for deed or lease with option to purchase agreements regarding the Property, unless Purchaser is a non-profit organization or has obtained Fannie Mae’s prior written consent. Purchaser acknowledges that, in addition to any other remedy available to Fannie Mae, any violation of this agreement may result in Fannie Mae refusing to sell additional REO properties to Purchaser and/or its affiliates.

Signature page follows.

PURCHASER (Initials) _____

SELLER (Initials) _____

IN WITNESS WHEREOF, the Purchaser and the Seller have entered into the Agreement as of the date first set forth above.

PURCHASER (S):

SELLER:

Signature: _____

FANNIE MAE:

Date: _____

MAYOR AND CITY COUNCIL OF CUMBERLAND

as Attorney in Fact for FANNIE MAE

By: Jeffrey D. Rhodes, City Administrator

Print Name: _____

for _____

Address: 57 N. Liberty Street

By: _____

Cumberland, Maryland, 21502

Date: _____

Telephone: 301-759-6446

Fax: _____

Signature: _____

Date: _____

Print Name: _____

Address: _____

Telephone: _____

Fax: _____

PURCHASER (Initials) _____

SELLER (Initials) _____

PURCHASER'S AGENT:

Brokerage Firm: _____

Purchaser's Agent Name: None _____

Address: _____

Telephone: _____

Email Address: _____

Fax: _____

PURCHASER'S ATTORNEY:

Name: _____

Address: _____

Telephone: _____

Fax: _____

SELLER'S AGENT:

Brokerage Firm: _____

Seller's Agent Name: _____

Address: _____

Telephone: _____

Email Address: _____

Fax: _____

SELLER'S ATTORNEY:

Name: _____

Address: _____

Telephone: _____

Fax: _____

PURCHASER (Initials) _____

SELLER (Initials) _____

**LEAD-BASED PAINT / LEAD-BASED PAINT HAZARD
DISCLOSURE AND ACKNOWLEDGMENT**

LEAD WARNING STATEMENT

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. 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 of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase, at purchaser's expense.

SELLER'S DISCLOSURE (Seller Initial both lines 1&2)

- _____ 1. Presence of lead-based paint and/or lead-based paint hazards (check one below):
- Known lead-based paint and/or lead-based paint hazards are present in the housing (explain): _____
- Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.
- _____ 2. Records and reports available to the Seller (check one below):
- Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/o lead-based paint hazards in the housing (list documents): _____
- Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing

PURCHASER'S ACKNOWLEDGMENT (Buyer Initial lines 3, 4 & 5)

- _____ 3. Purchaser has received copies of all information listed in 2 above, if any.
- _____ 4. Purchaser has received the pamphlet **Protect Your Family From Lead in Your Home.**
- _____ 5. Purchaser has (check one below):
- 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
- Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

PURCHASER AGREES THEY ARE PURCHASING THE PROPERTY "AS IS," WITHOUT ANY REPRESENTATIONS OR WARRANTIES WHATSOEVER AS TO THE CONDITION OF THE PROPERTY. PURCHASER FURTHER AGREES THAT SELLER AND ITS SERVICERS, REPRESENTATIVES, AGENTS, BROKERS, AUCTIONEER, ATTORNEYS, OFFICERS, DIRECTORS, EMPLOYEES, SUCCESSORS AND ASSIGNS HAS NO RESPONSIBILITY OR LIABILITY FOR, AND PURCHASER HEREBY UNCONDITIONALLY RELEASES SELLER AND IT'S SERVICERS, REPRESENTATIVES, AGENTS, BROKERS, AUCTIONEERS, ATTORNEYS, OFFICERS, DIRECTORS, EMPLOYEES, SUCCESSORS AND ASSIGNS FROM, ANY AND ALL LIABILITY, BOTH KNOWN AND UNKNOWN, PRESENT AND FUTURE, THAT IS BASED UPON, OR RELATED TO, THE EXISTENCE OF LEAD OR LEAD-BASED PAINT ON OR ABOUT THE PROPERTY.

AGENT'S ACKNOWLEDGMENT

6. Auctioneer, broker and/or the Seller's Broker has informed the seller of the seller's obligations under 42 U.S.C. 4852d 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 provided by the signatory is true and accurate.

_____	_____	_____	_____
SELLER	Date	BUYER	Date

_____	_____	_____	_____
SELLER	Date	BUYER	Date

Certificate Of Completion

Envelope Id: 6ECFBE7228954D6DB39C0D967E67E1EB
 Subject: Auction.com Purchase Agreement for KE65067; 536 MARYLAND AVE
 environment:
 Source Envelope:
 Document Pages: 49 Signatures: 0
 Certificate Pages: 5 Initials: 0
 AutoNav: Enabled
 EnvelopeId Stamping: Enabled
 Time Zone: (UTC-08:00) Pacific Time (US & Canada)

Status: Sent

Envelope Originator:
 Auction.com
 1301 Shoreway Road
 Suite 200
 Belmont, CA 94002
 online.contracts@auction.com
 IP Address: 128.177.69.5

Record Tracking

Status: Original
 11/13/2017 2:51:08 PM
 Holder: Auction.com
 online.contracts@auction.com

Location: DocuSign

Signer Events

Jeffrey D. Rhodes
 margie.woodring@cumberlandmd.gov
 Security Level: Email, Account Authentication
 (None), Authentication

Authentication Details

ID Check:
 Transaction: 23020902371516
 Result: passed
 Vendor ID: LexisNexis
 Type: iAuth
 Recipient Name Provided by: Recipient
 Information Provided for ID Check: Address,
 SSN9, SSN4, DOB
 Performed: 11/15/2017 10:14:23 AM

Signature

Question Details:
 passed property.city.fake
 passed vehicle.historical.association.real
 passed person.age.real
 passed corporate.association.real
 passed property.street.in.city.real
 passed vehicle.association.real

Timestamp

Sent: 11/13/2017 2:51:09 PM
 Viewed: 11/15/2017 10:14:46 AM

Electronic Record and Signature Disclosure:
 Accepted: 11/15/2017 10:14:46 AM
 ID: 617f1c4f-1a5b-46bb-8b97-cff7a24220d8

In Person Signer Events

Signature

Timestamp

Editor Delivery Events

Status

Timestamp

Agent Delivery Events

Status

Timestamp

Intermediary Delivery Events

Status

Timestamp

Certified Delivery Events

Status

Timestamp

Carbon Copy Events

Status

Timestamp

FANNIEMAE CLOSING TEAM
 SL-REOFMNAUCCNTR@SERVICELINKFNF.CO
 M
 Security Level: Email, Account Authentication
 (None)

Electronic Record and Signature Disclosure:
 Not Offered via DocuSign

Notary Events

Signature

Timestamp

Envelope Summary Events	Status	Timestamps
Envelope Sent	Hashed/Encrypted	11/13/2017 2:51:09 PM
Payment Events	Status	Timestamps
Electronic Record and Signature Disclosure		

CONSUMER DISCLOSURE

From time to time, Ten-X, its affiliates (including Auction.com) (Ten-X, we, or us) and Seller may be required by law to provide to you certain written notices or disclosures. Described below are the terms and conditions for providing to you such notices and disclosures electronically through the DocuSign, Inc. (DocuSign) electronic signing system. Please read the information below carefully and thoroughly, and if you can access this information electronically to your satisfaction and agree to these terms and conditions, please confirm your agreement by clicking the 'I agree' button at the bottom of this document.

Getting paper copies

At any time, you may request from us a paper copy of any record provided or made available electronically to you by us. You will have the ability to download and print documents we send to you through the DocuSign system during and immediately after signing session and, if you elect to create a DocuSign signer account, you may access them for a limited period of time (usually 30 days) after such documents are first sent to you. After such time, if you wish for us to send you paper copies of any such documents from our office to you, you will be charged a \$0.00 per-page fee. You may request delivery of such paper copies from us by following the procedure described below.

Withdrawing your consent

If you decide to receive notices and disclosures from us electronically, you may at any time change your mind and tell us that thereafter you want to receive required notices and disclosures only in paper format. How you must inform us of your decision to receive future notices and disclosure in paper format and withdraw your consent to receive notices and disclosures electronically is described below.

Consequences of changing your mind

If you elect to receive required notices and disclosures only in paper format, it will slow the speed at which we can complete certain steps in transactions with you and delivering services to you because we will need first to send the required notices or disclosures to you in paper format, and then wait until we receive back from you your acknowledgment of your receipt of such paper notices or disclosures. To indicate to us that you are changing your mind, you must withdraw your consent using the DocuSign 'Withdraw Consent' form on the signing page of a DocuSign envelope instead of signing it. This will indicate to us that you have withdrawn your consent to receive required notices and disclosures electronically from us and you will no longer be able to use the DocuSign system to receive required notices and consents electronically from us or to sign electronically documents from us.

All notices and disclosures will be sent to you electronically

Unless you tell us otherwise in accordance with the procedures described herein, we will provide electronically to you through the DocuSign system all required notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to you during the course of our relationship with you. To reduce the chance of you inadvertently not receiving any notice or disclosure, we prefer to provide all of the required notices and disclosures to you by the same method and to the same address that you have given us. Thus, you can receive all the disclosures and notices electronically or in paper format through the paper mail delivery system. If you do not agree with this process, please let us know as described below. Please also see the paragraph immediately above that describes the consequences of your electing not to receive delivery of the notices and disclosures

electronically from us.

How to contact Ten-X and Seller:

You may contact us to let us know of your changes as to how we may contact you electronically, to request paper copies of certain information from us, and to withdraw your prior consent to receive notices and disclosures electronically as follows:

To contact us by email send messages to: ooacontracts@ten-x.com

To advise Ten-X and Seller of your new e-mail address

To let us know of a change in your e-mail address where we should send notices and disclosures electronically to you, you must send an email message to us at ooacontracts@ten-x.com and in the body of such request you must state: your previous e-mail address, your new e-mail address. We do not require any other information from you to change your email address..

In addition, you must notify DocuSign, Inc. to arrange for your new email address to be reflected in your DocuSign account by following the process for changing e-mail in the DocuSign system.

To request paper copies from Ten-X and Seller

To request delivery from us of paper copies of the notices and disclosures previously provided by us to you electronically, you must send us an e-mail to ooacontracts@ten-x.com and in the body of such request you must state your e-mail address, full name, US Postal address, and telephone number. We will bill you for any fees at that time, if any.

To withdraw your consent with Ten-X and Seller

To inform us that you no longer want to receive future notices and disclosures in electronic format you may:

- i. decline to sign a document from within your DocuSign session, and on the subsequent page, select the check-box indicating you wish to withdraw your consent, or you may;
- ii. send us an e-mail to ooacontracts@ten-x.com and in the body of such request you must state your e-mail, full name, US Postal Address, and telephone number. We do not need any other information from you to withdraw consent.. The consequences of your withdrawing consent for online documents will be that transactions may take a longer time to process..

Required hardware and software

Operating Systems:	Windows® 2000, Windows® XP, Windows Vista®; Mac OS® X
Browsers:	Final release versions of Internet Explorer® 6.0 or above (Windows only); Mozilla Firefox 2.0 or above (Windows and Mac); Safari™ 3.0 or above (Mac only)
PDF Reader:	Acrobat® or similar software may be required to view and print PDF files
Screen Resolution:	800 x 600 minimum
Enabled Security Settings:	Allow per session cookies

** These minimum requirements are subject to change. If these requirements change, you will be asked to re-accept the disclosure. Pre-release (e.g. beta) versions of operating systems and browsers are not supported.

Acknowledging your access and consent to receive materials electronically

To confirm to us that you can access this information electronically, which will be similar to other electronic notices and disclosures that we will provide to you, please verify that you were able to read this electronic disclosure and that you also were able to print on paper or electronically save this page for your future reference and access or that you were able to e-mail this disclosure and consent to an address where you will be able to print on paper or save it for your future reference and access. Further, if you consent to receiving notices and disclosures exclusively in electronic format on the terms and conditions described above, please let us know by clicking the 'I agree' button below.

By checking the 'I agree' box, I confirm that:

- I can access and read this Electronic CONSENT TO ELECTRONIC RECEIPT OF ELECTRONIC CONSUMER DISCLOSURES document; and
- I can print on paper the disclosure or save or send the disclosure to a place where I can print it, for future reference and access; and
- Until or unless I notify Ten-X and Seller as described above, I consent to receive from exclusively through electronic means all notices, disclosures, authorizations, acknowledgements, and other documents that are required to be provided or made available to me by Ten-X and Seller during the course of my relationship with you.

**THE LAW OFFICE
OF
MICHAEL SCOTT COHEN, LLC**

Michael Scott Cohen
Steven Andrew Trader

213 Washington Street
Cumberland, MD 21502
Telephone: (301) 724-5200
Facsimile: (301) 724-5205

michaelcohen@atlanticbbn.net
stevetrader@atlanticbbn.net

November 20, 2017

VIA E-MAIL TRANSMISSION ONLY TO

Jeffrey Rhodes
City Administrator
City of Cumberland
jeff.rhodes@cumberlandmd.gov

Re: Property: 536 Maryland Avenue
 Cumberland, Maryland 21502
 Book 2330, Page 329
 Owner: Federal National Mortgage Association

Dear Jeff:

CERTIFICATE OF TITLE

At your request, we have examined the record title of Federal National Mortgage Association in and to the above-described Property located in Allegany County, Maryland. We carried our examination of the title to this Property from November 1, 1957 to November 16, 2017. A review of the Land Records of Allegany County, Maryland ("Land Records") and other court records was performed for each owner in the chain of title. During this period, we certify that the record title of said Property is good and marketable and free and clear of all liens and encumbrances with the following exceptions.

Exceptions

1. The Property is subject to the lot lines, easements, rights of way and other matters of record as set forth in the plat of Broadway Addition to the City of Cumberland, which is recorded among the Land Records in Liber 41, folio 507.

Real Estate Taxes

The Property is assessed as Tax Account No. 22-006290. The Allegany County Tax and Utility Office and the City of Cumberland Tax Office report that there are no outstanding real estate taxes due.

This office is not aware as to the existence or non-existence of any hazardous substance, by whatever name known, as defined either by federal or state law on said property. This office

makes no representations or warranties with respect to the existence or non-existence of any substance of any kind, hazardous or non-hazardous, in, on, under or about the property. Notice is further given that the presence of any such substance which might be deemed to be hazardous or detrimental by federal, state or local authorities could result in the property not being capable of being used for the purposes intended, and further, could result in incurring of costs and expenses for remedying any condition found to exist as a result of the presence of said substance, including, but not limited to, legal expenses, removal expenses, engineering expenses, etc. No inspection of the property or review of any records has been requested or conducted in this regard.

This certificate extends to surface rights only and is subject to matters of location and survey, matters not of record of Allegany County, easements, rights of way for utilities, public and private roads, state, county, city and other municipal bodies, errors and irregularities in the indices of the records and any other matters that might appear from an inspection of the premises, or any unfiled mechanics' or materialmen's liens. We further express no opinion as to the property's suitability as a building site or to compliance with health, planning and zoning or other applicable regulations. Also, we have not examined the records in the federal courts, as this requires an examination in Baltimore and is considered unnecessary by local title examiners in cases of this kind. The opinion expressed in this certificate is not intended to be relied upon by anyone other than the addressee and, accordingly, we make no assurances to any third party.

Very truly yours,

MICHAEL SCOTT COHEN, LLC

By: 
Steven Andrew Trader



Regular Council Agenda
December 5, 2017

Description

Order authorizing the execution of a Purchase Agreement with Fannie Mae for property and improvements at 536 Maryland Avenue (Tax Account No. 22-006290) for the total purchase price of \$5,500; authorizing acceptance of the deed effecting the transfer provided settlement contingencies are met; and granting the City Solicitor and City Administrator the authority to execute documents for the transfer

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

- Order -
of the
Mayor and City Council of Cumberland
MARYLAND

ORDER NO. _____

DATE: December 05, 2017

ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT, the City Solicitor be and is hereby authorized to submit a claim on behalf of the Mayor and City Council of Cumberland relative to a Settlement that has been reached with Citibank in a class action lawsuit about the price-fixing and manipulation of the London Interbank Offered Rate (LIBOR).

Brian K. Grim, Mayor

If You Owned a U.S. Dollar LIBOR-Based Instrument Between August 2007 and May 2010,

CLERK'S OFFICE

2017NOV17 PM12:50

You May Be Eligible for a Payment from a \$130 Million Settlement.

Impacts individuals and institutions that entered into most over-the-counter financial derivative and non-derivative instruments directly with a U.S. Dollar Panel Bank (see Question 8) that received payments tied to U.S. Dollar LIBOR, including certain interest rate swaps, forward rate agreements, asset swaps, collateralized debt obligations, credit default swaps, inflation swaps, total return swaps, options, and floating rate notes.

*A United States federal court authorized this notice. This is **not** a solicitation from a lawyer.*

- This is the second Notice in this case. A previous settlement was reached with Barclays Bank plc (“Barclays”) in this lawsuit (“OTC-Barclays Settlement”). A Settlement has now been reached with Citibank N.A. and Citigroup Inc. (together, “Citibank”) (“Settlement” or “OTC-Citi Settlement”). This Notice provides details of the proposed Settlement with Citibank and your rights in this lawsuit.
- A Settlement has been reached with Citibank in a class action lawsuit about the price-fixing and manipulation of the London Interbank Offered Rate (“LIBOR”). The lawsuit claims that Citibank, Barclays, and the Non-Settling Defendants (see Question 2) unlawfully manipulated the U.S. Dollar LIBOR rate, artificially lowering the rate to reduce payments to Class Members.
- You are included in the Settlement and are entitled to seek a payment, if you directly purchased U.S. Dollar LIBOR-based instruments directly from Citibank, Barclays, or any Non-Settling Defendant (see Question 6). Class Members who transacted with Citibank and Class Members who transacted with Barclays or Non-Settling Defendants will be entitled to payments in the same manner (see Question 12). Class Members will release claims through this Settlement only against Citibank and its affiliates; the Settlement does not impact claims in the lawsuit against the Non-Settling Defendants, and the lawsuit is ongoing.
- The instruments affected include, among others: asset swaps, collateralized debt obligations, credit default swaps, forward rate agreements, inflation swaps, interest rate swaps, total return swaps, options, or floating rate notes. The Settlement does **not** include U.S. Dollar LIBOR-based instruments that include only a term, provision, or obligation or right to pay interest based on U.S. Dollar LIBOR, such as business, home, student, or car loans or credit cards.
- The Settlement will pay individuals and institutions that owned certain U.S. Dollar LIBOR-based instruments between August 2007 and May 2010. In addition, Citibank has agreed to cooperate with Class Counsel and provide information to use against the Non-Settling Defendants.
- **Your legal rights are affected even if you do nothing. Please read this notice carefully.**

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT	
SUBMIT A CLAIM	This is the only way to get a payment. See Question 15.
ASK TO BE EXCLUDED	You will get no monetary benefits from the Settlement. This is the only option that allows you to assert the claims released by this Settlement against Citibank about the U.S. Dollar LIBOR manipulation claims at issue in this case. See Question 17.
OBJECT	If you wish to object to the Settlement, or anything else referenced in this Notice, you must file a written objection. See Question 22.
GO TO A HEARING	You may also request to be heard at the Fairness Hearing. See Question 26.
DO NOTHING	You will forfeit your right to get a monetary benefit from the Settlement, and you will give up your rights to assert claims released by this Settlement against Citibank about the U.S. Dollar LIBOR manipulation claims at issue in this case.

- These rights and options—and the deadlines to exercise them—are explained in this notice.
- The Court in charge of this case still has to decide whether to approve the Settlement. Payments will only be made if the Court approves the Settlement and after any appeals are resolved. Please be patient.

QUESTIONS? CALL 1-888-568-7640 OR VISIT WWW.USDOLLARLIBORSETTLEMENT.COM



Regular Council Agenda
December 5, 2017

Description

Order authorizing the City Solicitor to submit a claim on behalf of the City relative to a Settlement that has been reached with Citibank in a class action lawsuit about the price-fixing and manipulation of the London Interbank Offered Rate (LIBOR)

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)



The Cumberland Housing Group

Cumberland Housing Alliance, Inc.
Housing Authority of the City of Cumberland
Cumberland Neighborhood Housing Services, Inc.

December 1, 2017

Jeffrey Rhodes, City Administrator
City of Cumberland
57 Liberty Street
Cumberland, MD 21502

Mr. Rhodes;

The Cumberland Housing Alliance, Inc. is the 501c3 development agency for the Housing Authority of the City of Cumberland, which has provided affordable rental housing in Cumberland since 1949. The Cumberland Housing Alliance (CHA) completed the build out of the Cornerstone Hill subdivision on James Day Drive within the City of Cumberland in May of this year. This \$7.3 million development consists of 38 new townhomes owned by residents with incomes at or below the 120% area medium income. This development added more than \$84,000 in new tax revenue to the City and County and provides new modern affordable “for sale” housing within the City.

Now it is time for our development agency to begin the next phase of our efforts to provide affordable housing in Cumberland. We have developed a new program which we have named the “Cumberland Housing Revitalization Program” or CHRP. This program is designed to remove blighted properties from residential neighborhoods and replace them with affordable homes, which are planned to be sold as owner occupied properties. This program will accomplish several goals: 1) remove existing blighted properties which are stressing surrounding neighborhoods; 2) provide new affordable housing within Cumberland; 3) increase the existing tax base; and 4) improve the appearance of various neighborhoods within the City.

Recently, the Housing Authority acquired the Cumberland Neighborhood Housing Services (CNHS), which now operates under the Cumberland Housing Group from our East First Street campus. Prior to the acquisition, the previous Board of Directors ended the association with the Neighbor Works organization. Neighbor Works released the financial assets belonging to them, under the agreement that they would be used for the proposed CHA program under development, which the previous Board was in agreement and supported.



635 East First Street, Cumberland, MD 21502-4362
Office 301-724-6606 Fax 301-724-8731

www.CumberlandHousing.org

 Cumberland Housing



Therefore, CNHS is working at this time to complete a grant process of the currently held funds to CHA to provide the funding for immediate building demolition and property reclamation activities for the properties described below. The grant would also provide a revolving construction loan fund for the construction of one or two homes. Once a home is sold at the construction cost, the reclaimed funds would then be used to construct the next home. This process will continue indefinitely.

Cumberland Housing Alliance, Inc., would like to officially request that the buildings and property listed below, which are reportedly owned by the City of Cumberland, be gifted and transferred (with clear title) to our organization for the use in this program. The properties are located on the following Avenues:

32 Virginia Avenue
34 Virginia Avenue
321/323 Pennsylvania Avenue
325 Pennsylvania Avenue

Our Boards and staff are in agreement that this aligns perfectly with the missions of the Cumberland Housing Group and are interested in making this a solid, long term and productive program. We would like to begin demolition in early 2018 with the first of the homes being constructed in the spring.

The Cumberland Housing Alliance Board has approved me and our attorney, Michael Llewellyn, to work with the City of Cumberland to facilitate the transfer of properties.

Sincerely,

Steven J. Kesner

Steven J. Kesner
President/CEO
The Cumberland Housing Group

c. Michael Llewellyn



Regular Council Agenda
December 5, 2017

Description

Letter from Steven J. Kesner, President/CEO of The Cumberland Housing Group (CHG), requesting that City-owned properties at 32 Virginia Avenue, 34 Virginia Avenue, 321/323 Pennsylvania Avenue, and 325 Pennsylvania Avenue be transferred to CHG for use in their Cumberland Housing Revitalization Program, designed to remove blighted properties and replace them with affordable homes

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)



Regular Council Agenda
December 5, 2017

Description

All public comments are limited to 5 minutes per person.

Approval, Acceptance / Recommendation

Budgeted

1st Reading

2nd Reading

3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)