



PROPERTY INSPECTIONS ADDENDUM

ADDENDUM # _____ dated _____ to Contract of Sale
between Buyer _____
and Seller _____
for Property known as _____.

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

Only those sections of Paragraph #2 below (A, B, C, D, E, F, G) initialed by both Buyer and Seller shall apply to this Property Inspections Addendum.

1. SCOPE AND LIMITATIONS OF INSPECTIONS: The purpose of any inspection(s) selected below is to discover unsatisfactory conditions, if any, of the components and systems of the Property, and any other conditions identified in the subsections below. The future condition and performance of the above systems and components are not warranted by Seller and are not to be considered subject to this Addendum.

This Addendum and the inspection(s) provided herein is NOT for the purpose of making items of a routine maintenance and/or cosmetic nature the subject of further price negotiations between Buyer and Seller.

2. ITEMS TO BE INSPECTED:

A. Structural and Mechanical: Buyer, at Buyer's expense, has the right to have the Property inspected by a qualified professional engineer, licensed home inspector, or other expert selected by Buyer. Such inspection shall be completed and in the event unsatisfactory conditions are found, a copy of the entire inspection report shall be submitted to Seller, together with a written statement indicating what conditions in the report are considered unsatisfactory and what corrective action is required, within _____ (____) days from the Date of Contract Acceptance. Inspection may include, but is not limited to, foundations and/or basement (including chronic water penetration), floor systems, ceilings, doors and windows, roof, insulation, exterior and interior wall systems, decks, porches, garages, plumbing, and electrical systems, heating and cooling systems and components, appliances, and mechanical equipment, and also other conditions as noted: _____.

B. Mold: Buyer, at Buyer's expense, has the right to have a qualified expert selected by Buyer take air quality and surface samples in any area of the interior or exterior of the structures, including garage, to determine evidence of mold or mold spores of any kind and level(s) of toxicity. Samples will be sent for analysis to a qualified laboratory. Such inspection and laboratory analysis shall be completed and in the event mold or mold spores are found, a copy of the laboratory analysis and report together with a separate written statement indicating what repair or corrective action is required, shall be submitted to Seller, within _____ (____) days from the Date of Contract Acceptance.

C. Environmental: Buyer, at Buyer's expense, has the right to have the Property inspected by a qualified expert selected by Buyer. Such inspection shall be completed and in the event unsatisfactory conditions are found, a copy of the entire inspection report shall be submitted to Seller, together with a written statement indicating what conditions in the report are considered unsatisfactory and what corrective action is required, within _____ (____) days from the Date of Contract Acceptance. Inspection(s) may include, but



Buyer

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Seller

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are not limited to, the presence of asbestos, existence and integrity of underground oil/gasoline tanks, presence of solvents/paint thinners, urea formaldehyde foam insulation (UFFI), synthetic stucco (EIFS), polybutylene piping, mold spores, and other items if noted: _____

D. Radon: Buyer, at Buyer's expense, has the right to have the Property tested for radon in accordance with Environmental Protection Agency (EPA) testing protocols to determine whether the radon level (or average radon level if the test results are reported as an integrated average over time) equals or exceeds the action level as determined by the EPA. Such testing shall be completed and in the event the radon level equals or exceeds the EPA action level, a copy of the test results together with a separate written statement indicating what corrective action is required, shall be submitted to Seller, within _____ (_____) days from the Date of Contract Acceptance.

E. Chimney Inspection: Buyer, at Buyer's expense, has the right to have the Property's chimney(s), flue(s), and fireplace(s) inspected by a qualified expert, selected by Buyer, to determine safety and structural soundness. Such inspection shall be completed and in the event unsatisfactory conditions are found, a copy of the entire inspection report shall be submitted to the Seller, together with a written statement indicating what conditions in the report are considered unsatisfactory and what corrective action is required, within _____ (_____) days from the Date of Contract Acceptance. Buyer and Seller understand that the chimney(s), flue(s), and fireplace(s) may need to be cleaned in order to perform said inspection, and Seller hereby authorizes Buyer to instruct inspector to clean systems if needed, at Buyer's expense.

F. Lead-Based Paint Hazard Inspection: Buyer, at Buyer's expense, has the right to conduct a risk assessment or inspection of the Property for the presence of lead-based paint and/or lead-based paint hazards. The risk assessment or inspection of the Property shall be made by an individual certified by the Maryland Department of the Environment to conduct such assessment or inspection. Such assessment or inspection shall be completed and in the event lead-based paint hazards are found, a copy of the entire assessment report or inspection report shall be submitted to Seller, together with a written itemization of specific existing lead-based paint hazards and corrective action required to abate such lead-based paint hazards, within _____ (_____) days from the Date of Contract Acceptance. **The time period specified above represents the mutually agreed upon time period for Buyer to conduct an assessment or inspection of the Property to determine the presence of lead-based paint and/or lead-based paint hazards.** If Seller elects to correct the unsatisfactory condition(s), Seller shall furnish Buyer with written certification from an individual certified by the Maryland Department of the Environment demonstrating that the unsatisfactory condition(s) has been remedied prior to the date of settlement.

G. Additional Inspection(s): Buyer, at Buyer's expense, has the right to have the Property inspected for _____. Such inspection(s) shall be completed and in the event unsatisfactory conditions are found, a copy of the entire inspection report shall be submitted to Seller, together with a written statement indicating what conditions in the report are considered unsatisfactory and what corrective action is required, within _____ (_____) days from the Date of Contract Acceptance.

Note: Termite and other wood destroying insect infestation inspection terms are governed by the "Wood Destroying Insect Inspection" paragraph of the Contract.

3. RIGHTS AND OBLIGATIONS OF BUYER AND SELLER: Seller shall make the Property accessible for such inspections and shall have utilities in service at the time of the inspection. Neither Buyer, nor any agent or contractor of Buyer, shall in any way excavate, penetrate or otherwise damage any part of the Property without the prior written consent of Seller nor shall any furnishings, boxes, or personal property belonging to Seller be moved or relocated unless absolutely necessary in connection with the inspection. If the Property is part of a condominium, Buyer will be given access to the common areas to perform the inspection(s). Buyer and Seller shall have the right to be

present during the inspection(s), and Buyer shall give Seller reasonable advance notice of the date and time of the inspection(s).

4. INSPECTION REPORT PROCESS: The following terms shall apply to EACH initialed inspection contingency in Paragraph 2 above:

A. Waiver of Buyer's Right to Terminate Contract

If, within the time period specified, Buyer fails to have inspection performed, or if Buyer pursuant to paragraph 4.C. below fails to submit entire inspection report to Seller along with a separate written statement indicating what conditions in the report are considered unsatisfactory, and what corrective action is requested, Buyer shall be deemed to have accepted, as satisfactory, said inspection report; and Buyer shall have no right thereafter to terminate the Contract or request corrective action pursuant to the provisions of this Addendum. If Buyer elects not to request corrective action from Seller as a result of an inspection, Buyer shall not be required to submit a copy of the inspection report to Seller.

B. Buyer's General Right to Terminate Contract

NOTICE: THIS PARAGRAPH 4.B. SHALL NOT APPLY UNLESS INITIALED BY BOTH BUYER AND SELLER. If this Paragraph 4.B. is initialed only by Buyer, then no binding contract shall be deemed to have been formed by and between the parties, even if this Addendum has been signed by both Buyer and Seller, unless Seller shall delete this Paragraph 4.B. by strike-through, duly initialed by Seller, which deletion shall be deemed to be a counter-offer by Seller to Buyer for acceptance by Buyer. If Buyer wishes to accept the deletion of this Paragraph 4.B., then Buyer shall evidence such acceptance by initials of Buyer.

Buyer, upon written notice to Seller given within the time period specified for each inspection contingency, shall have the unconditional right to terminate the Contract for no stated reason, based upon Buyer's general dissatisfaction with the inspection results. If Buyer elects to terminate the Contract, the Contract shall become null and void, and all Deposit(s) shall be disbursed in accordance with the Deposit(s) paragraph of the Contract.

Buyer: /

Seller: /

C. Buyer's Specific Right to Terminate Contract

NOTICE: This paragraph 4.C. shall apply in the event paragraph 4.B. is not initialed by both Buyer and Seller OR if paragraph 4.B. is initialed by both Buyer and Seller but Buyer elects not to terminate the Contract pursuant to paragraph 4.B.

Within five (5) days from receipt of notice from Buyer of an unsatisfactory inspection report, Seller shall notify Buyer in writing whether Seller, at Seller's expense, will repair or correct all, some, or none of the conditions noted by Buyer. If Seller elects to repair or correct all of the stated unsatisfactory conditions, the Contract shall remain in full force and effect; and Seller shall repair or correct, in a good and workmanlike manner and prior to settlement, all of the unsatisfactory conditions noted by Buyer.

If Seller elects to repair or correct only some, or none, of the unsatisfactory conditions, or fails to respond within the five (5) day period, Buyer, by written notice to Seller given within two (2) days of receipt of Seller's notice, or from the date that such written notice was to have been provided by Seller, may elect either to terminate the Contract or waive the right of repair or correction of any unsatisfactory conditions which Seller will not repair or correct. If Buyer elects to terminate the Contract, the Contract shall become null and void; and the Deposit(s) shall be disbursed in

Buyer /

Seller /

accordance with the Deposit(s) paragraph of the Contract. If Buyer waives the right of repair or correction of any conditions which Seller will not repair or correct, or if Buyer, within two (2) days of receipt of Seller's notice, fails to notify Seller of Buyer's election to either terminate the Contract or to waive the right to repair or correct any unsatisfactory conditions which Seller will not repair or correct, the Contract shall remain in full force and effect; and Seller shall repair or correct, in a good and workmanlike manner and prior to settlement all of the unsatisfactory conditions which Seller agreed to repair or correct.

5. REPAIRS, CORRECTION, RE-INSPECTION: Seller agrees to complete repairs in sufficient time for Buyer to inspect prior to settlement. Buyer shall have the right to inspect the Property upon the completion of repairs or corrective action by Seller to confirm that Seller has performed, in a good and workmanlike manner, all of the repairs and corrective action, which Seller agreed to perform.

6. DAMAGE TO PROPERTY: If Buyer or Buyer's agents or contractors damage the Property during the exercise of Buyer's rights under this Addendum, Buyer shall immediately reimburse Seller for all costs incurred in correcting such damage.

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

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Buyer Signature **Date**

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Buyer Signature **Date**

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Seller Signature **Date**

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Seller Signature **Date**