

UNITED STATES DISTRICT COURT  
DISTRICT OF MARYLAND  
SOUTHERN DIVISION

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Ayoka Durham and Marcus Durham,  
each individually and on behalf of all  
others similarly situated,

Court File No.: 8:23-cv-3490

Plaintiffs,

v.

**COMPLAINT**

Home Partners Holdings LLC,  
OPVHHJV LLC, d/b/a Pathlight  
Property Management, SFR Borrower  
2022-1 LLC, and HP Maryland I LLC

**JURY TRIAL DEMANDED**

Defendants.

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Ayoka Durham and Marcus Durham, each individually and on behalf of all others similarly situated, bring this action against Home Partners Holdings LLC, OPVHHJV LLC, d/b/a Pathlight Property Management, SFR Borrower 2022-1 LLC, and HP Maryland I LLC, and (collectively “Defendants”), and allege as follows:

**INTRODUCTION**

1. Defendants are corporate landlords who collectively own, lease, and manage approximately 17,000 homes in over 80 markets across the United States. Home Partners began in Chicago, Illinois, and was formerly known as Hyperion Homes.

2. Defendants operate as alter egos of each other and market themselves as a joint entity. Pathlight states on its website that both Pathlight and Home

Partners “are proud to offer” lease programs to prospective tenants.<sup>1</sup> Pathlight’s website contains a Home Partners’ logo, demonstrating their interlocking relationship.

3. Defendants operate two rental programs: a “right-to-purchase” (RTP) program, which is the primary means through which they acquire single family residences, and a non-right-to-purchase rental program, through which they rent out homes they have already purchased (NRTP).

4. Whether a prospective tenant chooses the RTP or NRTP program, Defendants represent for every home that is available for lease, that the home is “[p]rofessionally managed by Pathlight Property Management, the exclusive property manager for Home Partners of America, offering excellent customer service, 24/7 emergency maintenance service, online application and payments, and pet-friendly options.”<sup>2</sup>

5. Despite these promises, Defendants routinely require tenants to enter contracts of adhesion that purport to waive and modify the warranty of habitability through several different lease provisions found in Defendants’ uniform adhesion contracts.

6. In addition, Defendants, through form contracts of adhesion, require tenants to agree to take on maintenance and repair costs that otherwise would be borne by Defendants. In their leases, Defendants misleadingly state that the tenants’

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<sup>1</sup> <https://www.pathlightmgt.com/> (last visited December 4, 2023).

<sup>2</sup> <https://www.pathlightmgt.com/search> (last visited December 4, 2023).

rental rates were negotiated and would otherwise be higher but for the tenants' alleged agreement to maintain and repair.

7. In reality, Defendants unilaterally set rental rates, without assigning any consideration for the tenants' alleged agreement or the value of their services.

8. During and at the end of tenancies, and using the same form leases, Defendants routinely pursue their tenants for payment of normal wear and tear damage, or pre-existing or other damage to Defendants' real property, which was not caused by the tenants at all. This conduct also violates the warranty of habitability and statutory consumer protection laws.

9. Landlords, not tenants, are responsible not only for ensuring that the homes they rent comply with applicable health and safety laws, but also for responding to their tenants in a timely manner upon notice of conditions that interfere with the tenant's life, health, or safety or the habitability of the premises.

10. Finally, under their leases, Defendants assess tenants with numerous lease administration and property management fees, including but not limited to a "pay-to-pay" utility fee, an HVAC filter fee, late fees, and for the cost of insuring Defendants' property.

11. The reason for Defendants' use of its misleading form leases is simple: Sophisticated corporate landlords intentionally include unenforceable or misleading clauses in their leases "trusting they could profit from inserting such terms. [These

clauses] are likely to mislead tenants into believing that they reflect the legal state-of-affairs.”<sup>3</sup>

12. In addition to seeking damages, this action seeks to enjoin Defendants from continuing to use their misleading or unenforceable leases and a return of the monies paid to Defendants through their illegal leases.

### **PARTIES**

13. Ayoka and Marcus Durhams are adults residing in Hughesville, Maryland and are citizens of Maryland.

14. Defendant Home Partners Holdings LLC (“Home Partners”) is incorporated in Delaware with its principal place of business in Chicago, Illinois.

15. Defendant OPVHHJV LLC, d/b/a Pathlight Property Management (“Pathlight”) is a subsidiary, agent, and alter ego of Home Partners of America. Pathlight is incorporated in Texas with its principal place of business in Texas. Pathlight is wholly owned by Home Partners.

16. Upon information and belief, Defendant Home Partners or one of its subsidiaries operates and purchases homes through separately incorporated limited liability companies (“LLCs”), but Defendant Home Partners (or one of its officers or employees) is a member of those LLCs.

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<sup>3</sup> Meirav Furth-Matzkin, *Unenforceable and Misleading Clauses in Consumer Contracts: Evidence from the Residential Real Estate Market*, June 2015, John M. Olin Center for Law, Economics, and Business Fellows, available at [http://law.harvard.edu/programs/olin\\_center/](http://law.harvard.edu/programs/olin_center/); see also Furth-Matzkin, *On the Unexpected Use of Unenforceable Contract Terms: Evidence from the Residential Real Estate Market*, 9 *Journal of Legal Analysis* 1 (2017).

17. Defendant HP Maryland I LLC, an LLC incorporated in the State of Delaware with its principal place of business in Chicago, Illinois, is also one of these LLCs. Plaintiffs' lease states they entered into a lease agreement with this entity.

18. Defendant HP Maryland I LLC is listed as dissolved with the Secretary of State. Plaintiffs received an email from Defendants notifying them their home is now owned by SFR Borrower 2022-1.

19. Defendant SFR Borrower 2022-1 LLC, an LLC incorporated in the State of Delaware with its principal place of business in Chicago, Illinois, is one of these LLCs. SFR Borrower 2022-1 LLC is wholly owned by Home Partners. This entity now owns the Durhams' property.

20. SFR Borrower 2022-1 LLC and HP Maryland I LLC and these other LLCs were, at all relevant times, the agents, servants, employees, alter-egos or joint venture of Defendant Home Partners, and acted within the course and scope of such agency, employment, alter-ego and/or in furtherance of the joint venture, and with the permission and consent of each of the other Defendants.

### **JURISDICTION AND VENUE**

21. This Court has original subject matter jurisdiction over this controversy pursuant to the Class Action Fairness Act ("CAFA"), 28 U.S.C. § 1332(d), because Plaintiffs and members of the Class are citizens of states different than Defendants' home states, and the aggregate amount in controversy exceeds \$5 million, exclusive of interests and costs.

22. This Court has personal jurisdiction over Home Partners Holdings LLC because it has conducted substantial business in this District and intentionally and

purposefully markets, promotes, and places its homes into the stream of commerce in this District and throughout the United States.

23. This Court has personal jurisdiction over HP Maryland I LLC and SFR Borrower 2022-1 LCC because they are or have been registered to do business in this District and intentionally and purposefully market, promote, and purchase homes in this District and throughout the United States.

24. This Court has personal jurisdiction over OPVHHJV LLC, d/b/a Pathlight Property Management, because it serves as the property manager for all of Defendants' rental properties in this District.

25. Venue is proper in this District pursuant to 28 U.S.C. § 1391 because a substantial part of the events or omissions giving rise to Plaintiffs' claims occurred in this District. Defendants marketed, advertised, leased and sold the affected homes, as well as conducted extensive business, within this District.

## **FACTUAL ALLEGATIONS**

### **I. Defendants' Scheme**

26. Home Partners' website states, "[f]rom the beginning, Home Partners and Pathlight communicate with residents throughout the entire process. Once the house has closed and the Make-Ready renovations have been completed, Pathlight will send a Welcome Email to residents that outlines the move-in process and answers questions that may arise during the lease term."<sup>4</sup>

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<sup>4</sup> <https://www.homepartners.com/faqs/Move-In-Pathlight/Pathlight-Property-Management-/When-does-Pathlight-become-the-main-point-of-contact-for-incoming-residents> (last visited December 4, 2023).

27. Defendant Home Partners is now a subsidiary of Blackstone Inc., a New York City-based investment firm.<sup>5</sup>

28. In a \$6-billion-dollar deal, Blackstone purchased Defendant Home Partners through an investment fund called Blackstone Real Estate Income Trust.

29. Blackstone is one of many large firms to capitalize off the 2010 foreclosure crisis precipitated by the Great Recession.

30. In the wake of the 2007 housing market crash, as thousands of American families lost their homes, the federal government launched a pilot program that allowed Blackstone and other private investors, some of whom facilitated the financial crisis in the first place, to purchase swaths of foreclosed homes from Fannie Mae.

31. Large private equity groups, hedge funds and other large investors spent a combined \$36 billion on more than 200,000 homes between 2011 and 2017.

32. In effect, these large entities are building a new corporate landlord-tenant scheme across the country.<sup>6</sup>

33. While large corporate entities have been involved in the housing market since before the 2010 foreclosure crisis, their involvement only continues to grow. These corporate landlords claim their buying efforts will stabilize the country's most dilapidated housing markets. They claim they will be even better landlords than

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<sup>5</sup> <https://www.wsj.com/articles/blackstone-bets-6-billion-on-buying-and-renting-homes-11624359600> (last visited December 4, 2023).

<sup>6</sup> <https://www.theatlantic.com/technology/archive/2019/02/single-family-landlords-wall-street/582394/> (last visited December 4, 2023).

traditional, local landlords by using their capital to maintain the homes, and they claim to make home rentals easy and affordable.

34. However, over time, these corporations have displaced individual home buyers (or individual landlords and property owners) not only in housing markets decimated by foreclosure, but also in healthy urban, suburban and exurban residential real estate markets.

35. Against this background, Home Partners (then operating as Hyperion) entered the residential real estate market in 2012 as real estate investment and property management group, claiming that by purchasing homes on behalf of residents in markets nationwide, they would help thousands of home-seekers live in a home they otherwise were not yet ready to purchase, under terms that best fit their needs.

36. Defendants state they rent single-family homes to persons in three primary demographics: (1) recent transferees to an unfamiliar or new city or suburb; (2) persons desiring to live in a single-family home, but who lack the creditworthiness to obtain a mortgage; and (3) persons who want to rent a single-family home but who are “uncertain” about home ownership.

37. Defendants target these demographics through marketing to real estate agents and online and print advertisements that promote the availability of homes.



38. Defendants market extensively through their own websites as well as local real estate agencies.<sup>7</sup>

39. Defendants operate two rental programs: a “right-to-purchase” (RTP) program, which is the primary means through which they acquire single family residences, and a non-right-to-purchase rental program, through which they rent out homes they have already purchased (NRTP).

40. The RTP rentals are long-term, up to five years. Each RTP lease contains an automatic renewal provision. The NRTP rental contracts are for one-year terms.

41. In the context of the RTP program, Defendants represent prospective customers, working with their real estate agents, can pick a home being offered for sale, and that Defendants will buy the home for the prospective customer to rent from Defendants, for up to five years. To induce prospective customers to go through Home Partners and the RTP program, Home Partners represents they “buy it and lease it to you with the peace of mind of locked-in rent amounts and purchase prices. Live in the home as a renter with the option to buy it at any point. At the end of your 1-year lease term, you can renew for another year or walk away with no penalties. No matter what you decide, we are your partner. [...] On average, move-in will be 2 weeks after

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<sup>7</sup>[https://www.pathlightmgt.com/search?sort=&search\\_text=&rent=&state=IL&city=&available\\_date=&beds=&bathrooms=](https://www.pathlightmgt.com/search?sort=&search_text=&rent=&state=IL&city=&available_date=&beds=&bathrooms=) (last visited December 4, 2023).

closing to accommodate any necessary repairs found during our home inspection. [...] Your agent facilitates the inspection and will make sure all utilities are on.”<sup>8</sup>

42. Defendants together claim that they expend significant effort and resources to purchase a particular home on the prospective tenant’s behalf.

43. Whether a prospective tenant chooses the RTP or NRTP program, Defendants represent for every home that is available for lease, that the home is “[p]rofessionally managed by Pathlight Property Management, the exclusive property manager for Home Partners of America, offering excellent customer service, 24/7 emergency maintenance service, online application and payments, and pet-friendly options.”<sup>9</sup>

44. Defendants also represent their houses are “qualified,” “move-in ready” and have passed inspection. Defendants do not share the results of any inspection reports with their tenants, and thus tenants are unaware of what repairs, if any, were declined or undertaken.

45. Before an RTP tenant signs a lease, Defendants send to tenants an “Anticipated Terms” document that makes representations regarding the terms of the lease and states that tenants are responsible for utilities, such as water, trash, and sewer, lawn and landscape maintenance, snow/ice removal, and “other day-to-day maintenance.” The “Anticipated Terms” document also states Defendants expect tenants to maintain the home as if it were the tenants’ own, and that tenants are

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<sup>8</sup> <https://www.homepartners.com/how-it-works> (last visited December 4, 2023).

<sup>9</sup> <https://www.pathlightmgt.com/search> (last visited December 4, 2023).

required to maintain their own general liability renters' insurance. The terms do not disclose that tenants may later be force-placed into Defendants' own insurance if they do not obtain their own renters' insurance.

46. Defendants' Anticipated Terms, leases and other pre-lease materials are drafted by Home Partners in Chicago, Illinois. Tenants communicate with and receive lease documents for signature from Home Partners' leasing, acquisitions, closings and applications teams, which are also based in Chicago. Tenants receive these pre-lease documents and the leases themselves from Home Partners' leasing and acquisitions teams, and Home Partners' leasing team facilitates tenants' wiring of their initial security deposit.

47. Defendants claim "we take the responsibility of managing your home's safety and maintenance seriously. Our team is always ready to handle large service requests, but we kindly ask that residents take care of smaller maintenance issues themselves."<sup>10</sup>

48. But prospective customers are not provided a complete list of the obligations and "service requests" and "maintenance issues" that they will be required to take on as tenants, which include but are not limited to managing pest infestations, lawn care, snow removal, and repairing appliances.

49. Nor do Defendants fully disclose the additional fees tenants will be required to pay under the lease, including for the cost of insuring Defendants'

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<sup>10</sup> <https://app.pathlightmgt.com/help/detail/General-Maintenance/6157473947931/What-are-resident-and-Pathlight-maintenance-responsibilities> (last visited December 4, 2023).

property, paying for HVAC upkeep through an HVAC filter fee charge, and paying for other lease administration expenses connected to utility billing or Defendants' attempts to evict tenants, even when they are not prevailing parties in an action.

50. For each house, Defendants set a monthly base rent for each year in which a tenant occupies a house.

51. Defendants state and admit they do not negotiate these amounts with tenants.<sup>11</sup>

52. Nonetheless, in contradiction of the foregoing statements, which are provided to the general public and tenants before they sign any lease, Home Partners represents in its form adhesion leases that "The amount of Rent was agreed upon based on the express understanding that Tenant will be responsible for the maintenance needs of the Premises as provided in this Lease and in the absence of Tenant's agreement to maintain the Premises at its cost in accordance with the terms of this Lease, Landlord would have charged a higher rent amount."

53. Home Partners does not apply or credit any amount paid in rent or on maintenance or repairs during the lease term to reduce the rent.

54. Home Partners does not credit the value of the services tenants provide to maintain Defendants' properties toward the rent, nor represent to tenants what the amount of rent would otherwise be but for the agreement to repair and maintain the property.

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<sup>11</sup> <https://app.pathlightmgt.com/help/detail/Lease-Information/360043853871/Is-rent-negotiable> (last visited December 4, 2023).

55. At bottom, and as further described herein, Defendants’ marketing is designed to induce and convince prospective customers that they are renting a specially chosen, “qualified” i.e., quality home that is different than, and an alternative to, a traditional rental—and then to convince consumers to agree to take on substantial homecare burdens foisted on tenants by Defendants’ adhesive form leases.<sup>12</sup>

56. Despite their effort to establish an extra-legal relationship with their tenants through these elaborate contracts of adhesion, Defendants cannot write their way out of their statutory legal obligations to their tenants.

## **II. Defendants’ Form Contracts Shift the Burden of Maintenance, Repair, and Insurance onto Tenants.**

57. Since 2012, Defendant Home Partners has included provisions in its carefully crafted form leases that illegally purport to shift its repair and maintenance obligations onto tenants, as well as other fees associated with lease and property management administration. While Home Partners names one of its various LLCs (such as SFR Acquisitions) as the Landlord in its leases, the LLC entity is controlled and wholly owned by Home Partners.

58. Initially, Defendant Home Partners disclaims in its form leases any obligation to comply with the Covenants of Habitability, stating that “Resident acknowledges that any damage to the Premises beyond Wear and Tear will be presumed to have been caused by Resident. Resident agrees that Owner is leasing

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<sup>12</sup> <https://www.homepartners.com/how-it-works/program-summary?position=advantages> (last visited December 4, 2023).

the Premises to Resident in its AS-IS, WHERE-IS, WITH ALL FAULTS condition as of the Effective Date and specifically and expressly without any warranties, representations or guarantees, either express or implied, as to its condition, fitness for any particular purpose, merchantability or any other warranty of any kind, nature or type whatsoever from or on behalf of Owner's Agents (all of which are expressly disclaimed by Owner and waived by Resident) and Resident is accepting the Premises on such terms [...]"

59. Defendants also state **“The amount of Rent was agreed upon based on the express understanding that Resident will be responsible for the maintenance needs of the Premises as provided in this Lease and in the absence of Resident’s agreement to maintain the Premises at Resident’s cost in accordance with the terms of this Lease, Owner would have charged a higher Monthly Base Rent amount.”**

60. This statement is untrue. Defendants do not negotiate rent (emphasis in original).

61. These provisions are designed to obscure, mislead, and misrepresent Defendants’ true legal obligations to renters, and constitute false statements of fact and law.

62. Defendants fail to disclose that nothing in their lengthy “Residential Lease Agreement” can abridge a tenant’s rights, nor does the lease create anything other than a traditional landlord-tenant relationship.

63. Defendants' "as-is" and burden-shifting repair provisions mislead consumers about their guaranteed rights and remedies under applicable state law by misrepresenting to consumers that they, not Defendants, are required to keep Defendants' properties in reasonable repair, and further mislead consumers into paying costs associated with Defendants' lease management and administration. Thus, in addition to misrepresenting tenants' rights, Defendants' leases are agreements with tenants that purport to waive or modify the Covenants of Habitability in direct violation of the law.

64. Defendants' burden-shifting maintenance and repair and lease administration provisions not only contravene the warranty of habitability and other state laws, but also deceptively and misleadingly suggest to tenants that their signatures on the lease constitute a waiver of their right to habitable housing. Such unlawful provisions have and continue to have the effect of fraudulently stripping consumers of their legal rights and burdening them with repair efforts and expenses that the law explicitly requires Defendants to bear.

65. When purchasing homes for re-lease, Defendants obtain independent inspections and property appraisals, allegedly for the benefit of the tenant, yet under Defendants' policies, the inspection reports and appraisals are not provided to tenants.

66. Instead, these inspections and appraisals are given to Defendants and undertaken on Defendants' behalf prior to Home Partners' purchase of the home. As owners and property managers of the home, Defendants are in the best position to

obtain and provide that information. However, no Defendant discloses the existence of any pre-existing damage to the home of which they may have already been aware.

67. Nor do Defendants disclose the results of municipal inspections. Accordingly, tenants may not be on notice of conditions at the property to review and report during the tenancy, even conditions such affecting habitability such as prior mold or mildew.

68. Despite its claim that it “is happy to handle large service requests, and we ask that residents take care of smaller maintenance issues,” Pathlight, as the property management arm of Defendants, does not have a local staff to handle these “large service requests.” Instead, Pathlight contracts with a third party, SMS Assist, which determines whether a tenant’s maintenance request will be fulfilled by a local vendor under policies and procedures established by Pathlight.

69. Under Defendants’ leases, policies, and procedures, tenants may make maintenance and other repair requests by calling a central toll-free number, or by making a request through Defendants’ resident web “portal.” If a tenant calls in a maintenance request, both Pathlight and SMS Assist make an electronic record of the request, which is stored in a database. Pathlight frequently communicates with tenants who have called by emailing the tenant with a “You Called Us” or “We Called You” signature line, and respond to the tenant by email. If the request is directed through the portal, an electronic record is also created and stored in the database.



70. If SMS Assist, Pathlight’s agent operating under Pathlight policies and procedures, or Pathlight determines that the request is “resident responsibility,” the maintenance request will not be fulfilled and will be cancelled.

71. SMS Assist will also request approval directly from Pathlight for certain repairs. If Pathlight denies the request, the tenant’s work order is cancelled.

72. Because Pathlight either directly or through its agent SMS frustrates tenants’ attempts to successfully make maintenance requests, the result is a system whereby tenants, not Defendants, are actually or constructively forced to pay for repairs and maintenance that they are not required to make under the lease or applicable state law.

***The Master Resident Liability Program***

73. In addition to paying out of pocket for repairs to Defendants’ properties as they arise, or from their security deposits at the end of tenancy, tenants also use their own funds every month to comply with Home Partners’ so-called “liability coverage” requirement.

74. The lease requires tenants to procure renters insurance with general liability coverage in the amount of \$300,000 (\$500,000 for a house with a pool) for “damage to our property during your lease term.”<sup>13</sup>

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<sup>13</sup> <https://app.pathlightmgt.com/help/detail/Move-In-and-Liability-Coverage/360043425512/Am-I-required-to-have-renter's-insurance> (last visited December 4, 2023).

75. Home Partners requires tenants to name the Defendants and an entity called POPIC LLC, listed in the lease as an “additional interested party” on the policy and provide “written evidence” of the addition prior to move-in.

76. Although Defendants represent in the leases that tenants are free to obtain their own renters’ insurance, it must meet Defendants’ coverage criteria. If tenants fail to obtain qualified renters’ insurance, they are deemed to be in default of their lease.

77. Nevertheless, before the lease is signed, Defendants discourage tenants from procuring outside insurance, stating the “cost of outside coverage may depend on your provider, creditworthiness, and other factors. Also, it may or may not cover personal belongings,” and that “using an outside provider may cost \$20 a month or more.”]<sup>14</sup>

78. Instead, Defendants want tenants to use their own insurance program. Unless and until the tenant provides the requisite proof of renters insurance, Defendants force-place tenants in their own “liability waiver” program (also known as the “Master Resident Liability Program,” or “MRLP,” and identified as “Replacement Renter Insurance” in the lease). The MRLP is an opt out, not opt in, program.

79. Defendants’ MRLP costs tenants \$13 per month and is defined as “additional rent” under the lease. Like all rent payments, this additional rent

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<sup>14</sup> <https://app.pathlightmgt.com/help/detail/Move-In-and-Liability-Coverage/360043425512/Am-I-required-to-have-renter's-insurance> (last visited December 4, 2023).

payment is paid to the Home Partners Holdings subsidiary that is identified as the “Landlord” under the lease. Upon information and belief, a portion of the \$13 fee is returned to Defendants.

80. Defendant Home Partners developed the Master Resident Liability Program in 2018 and 2019 in Chicago, Illinois.

81. Although Home Partners uses the terms “liability coverage” and “Master Resident Liability Program” in the leases and in other documents, in reality, Home Partners is engaging in the sale of insurance to tenants. Home Partners is not licensed to sell insurance in any state in which it does business.

82. Unbeknownst to tenants who are forced to participate, this \$13 is an insurance premium paid to Defendants’ captive insurer.<sup>15</sup> Defendants do not disclose what portion of this amount is reserved to pay administrative costs, or to pay claims for property damage.

83. What Defendants additionally do not disclose is that they intend for tenants (or their independently procured insurance coverage) to pay for and cover pre-existing, accidental, or normal wear and tear damage to Defendants’ buildings and real property, not caused by tenants, which are not covered by the typical renters’ insurance policy. In other words, Defendants deliberately foist the burden of insuring their own real property onto tenants.

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<sup>15</sup> See *Sewall, et al. v. Home Partners Holdings LLC, et al.*, 27-CV-22-10389 (Minn. Dist. Ct.) Index No. 202, Order Certifying Class.

84. Upon information and belief, Defendant Home Partners has collected millions of dollars from tenants nationwide through the MRLP replacement insurance program, none of which benefits the tenants.

***The UBSF***

85. Defendants employ a third party, Conservice, to manage those utilities and services kept in Defendants' names, such as water, trash and sewer. Conservice bills the utilities to the tenants, through a separate bill, but all utility amounts are reflected on the tenants' ledgers and tenants can remit payment directly to Defendants.

86. While most tenants understand they have to pay for the utilities they use, are in fact required to pay more than their use. Defendants also require tenants to pay a "Utility Billing Service Fee" (UBSF). The UBSF is a "pay-to-pay" fee for utilities and services that that must be kept in the Landlord and property owners' name. Tenants do not have the option to opt out of the UBSF. Though the amount varies state to state, Defendants charge this fee in each state they rent their homes.

87. Plaintiffs and other Maryland tenants' UBSF is \$9.95 per month..

88. In their Anticipated Terms document, Defendants represent the UBSF is to "reimburse" Defendants for "water and other utilities and services bundled with the water bill."

89. The leases do not disclose the nature and purpose of this charge. Similarly, Defendants' representations on their website(s) do not disclose the nature and purpose of this charge.

90. In actuality, the UBSF is a fee Defendants assess to tenants to cover the administrative costs of hiring Conservice to bill tenants for utilities. This is also not disclosed in leases or Anticipated Terms.

91. Upon information and belief, a portion of this fee is returned to Defendants and does not reflect the actual administrative costs of managing utilities via Conservice.

### ***HVAC Filter Fees***

92. Defendant also required tenants to pay a fee for their “HVAC Filter Program” in the amount of \$15 per month. This amount is non-negotiable. Defendant contracts with a third party, Second Nature, to deliver air filters to tenants every 60 days, and per the form lease and addenda thereto, tenants are not permitted to opt out of this payment obligation and to supply their own air filters purchased from other sources. The lease further requires tenants to install the filters within two days after delivery, for the purpose of ensuring that the “air quality in your home is safe and your system is functioning properly,” meaning that the air filter is specifically for the purpose of ensuring the health and safety of the tenants and the habitability of the units. Further, this cost is shifted even where Defendant agrees that furnace and HVAC cleaning and servicing is the landlord’s responsibility under the lease agreement.

93. Defendants mark up the cost of the air filters, but do not disclose this markup to tenants. Further, upon information and belief, the \$15 charge does not

reflect the actual cost of the air filters. Only a portion of the fee is paid to Second Nature.

### ***Legal Fees***

94. Finally, Defendants require tenants to pay for Defendants' attorneys to review their ledgers for purposes of determining whether a tenant is allegedly in default on any lease obligation, which is reflected as "Legal Fees Recovery" on tenants' ledgers. Defendants charge the tenants for this attorney review, regardless of whether Defendants attempt to enforce any lease obligation through a legal action.

95. Even if Defendants did not enforce their illegal lease provisions, these provisions are nonetheless deceptive because consumers who read them are likely to believe they are enforceable, or that they have contractually waived their legal rights not to be responsible for certain costs, as well as repairs to Defendants' own property.

### **III. Plaintiffs' Experiences**

#### ***Ayoka and Marcus Durham***

96. Ayoka and Marcus Durham began renting a Home Partners-owned home on September 4, 2021 in Hughesville, Maryland.

97. The Durhams rented through Defendants because Defendants' representations, as described in paragraphs 3-6 and 26-55 above, led the Durhams to believe Defendants would provide a quality, pre-inspected home that would not require substantial upkeep or maintenance, based upon the assurance of quality and inspection provided by Defendants. The Durhams were looking for their dream home and thought they had found it based on Defendants' promises to provide a move-in

ready home free of major defects that the Durhams would be able to purchase when they were ready.

98. The Durhams received Defendants' form "Residential Lease Agreement," a 20-page, 47-clause lease with 28 additional pages of attachments and addenda and a right-to-purchase agreement for a total of 89 pages, all drafted in Illinois by Home Partners' lawyers in approximately 10-point font. Attached as Exhibit A is a copy of the Durhams' lease.

99. The Home Partners entity listed on the Durhams' lease is HP Maryland I LLC, which has a principal place of business in Chicago, Illinois. The Durhams' home is now owned by SFR Borrower 2022-1, a Home Partners entity with a principal place of business in Chicago, Illinois.

100. The Durhams' lease contains numerous unenforceable provisions under Maryland Law, including but not limited to:

- a. Forcing them to waive trial by jury;
- b. Waiving rights and remedies provided by Maryland law;
- c. Indemnifying the landlord from liability for their own acts, omissions or neglect;
- d. Waiving the warranty of habitability;
- e. Waiving other rights and remedies provided by Maryland law.

101. The Durhams were not provided an opportunity to negotiate the amount of rent, nor the yearly rent hikes.

102. Defendants did not separately negotiate or set forth the list of maintenance and repair responsibilities they required the Durhams to take on.

103. Defendants have assessed a \$9.95 UBSF which accompanies and is an additional cost on top of their monthly utility payments. The Durhams' lease is silent as to the nature and purpose of this fee.

104. Defendants have also assessed a monthly \$15 HVAC filter fee throughout the duration the Durhams' lease. The filters do not fit the Durhams' HVAC unit, which they reported through the resident portal several times, though Pathlight continues to send them and bill them for the wrong size filters.

105. Defendants have also assessed and the Durhams have paid a monthly \$13 charge for Defendants' Master Resident Liability Program.

106. In April 2022, the Durhams no longer had hot water. The Durhams' home operates with well water. The Durhams made a maintenance request through the portal on approximately April 2, and Pathlight sent a vendor who had no knowledge of wells. Pathlight sent another vendor who provided a temporary fix for the filtration system and advised the entire well would likely need to be replaced.

107. The well stopped working again in September 2022. On September 4, Marcus turned on the faucet only to discover the water pouring through the spout resembled coffee and cream. The Durhams immediately reported the issue through the resident portal and placed a work order through the maintenance portal. The Durhams began using bottled water heated on the stove to take showers. They were



unable to flush their toilets, brush their teeth, clean dishes, wash clothes, cook, or wash their hands as the water was a filthy creamy brown color.



108. After 96 hours without water and no response from Pathlight, the Durhams contacted Pathlight again through the maintenance portal on September 8 and sent several photos. Pathlight finally sent a vendor on September 15, who told the Durhams the entire well, which is over 30 years old, would need to be replaced. This vendor did not do any work on the well.

09/15/2022 08:11 PM

Marcus Durham

We have now had no running water for 11 days. Thank you for sending out a company that saw the urgency of our plight. Unfortunately, the problem is more extensive than what he is able to fix. We are at least grateful that we now have some answers, but the reality is, that we are still not able to wash dishes, take showers/baths, wash clothes, brush our teeth, or even wash our hands. Water is still brown/orange and no pressure at all.

109. After approximately 10 days without water, Pathlight sent a vendor who said the entire well would need to be replaced. On September 27, Thea, a Pathlight representative, said she received her manager's approval for the Durhams to hire their own contractor to replace the well as Pathlight had been unable to find a contractor themselves. The Durhams promptly found a contractor and forwarded the \$27,500 quote to Pathlight on October 13. The Durhams called Pathlight and sent several portal communications seeking an update each month through the end of the year. On January 10, Pathlight requested the Durhams negotiate the quote down to \$25,000, which the contractor refused. Pathlight refused to authorize the work at the quoted price.

110. On February 20, a Pathlight representative contacted the Durhams through the resident portal. Reiterating the same information from the January 10

phone conversation, the representative wrote “upon reviewing the quote it shows as \$27,500 however our approvals team only approves around \$25k, will it be possible that they can lower it down to \$25k?” On March 14, Pathlight representative “Joseph” told the Durhams he had not yet received approval for the October quote from his management team.

111. The Durhams began withholding rent as permitted by Maryland Stat. §§ 8-211. Pathlight threatened to evict the Durhams, twice, in April and May 2023. On May 11, Pathlight representative Magi Marquez wrote to the Durhams, “I confirm that you have been notified by Camille on April 17, 2023 that your eviction has been stopped. And I also got confirmation today from Ryan Agee that your eviction has been halted.”

112. Pathlight further confirmed they agreed to abate the Durhams’ rent, and credited five months’ rent in the amount of \$15,150 on May 31. Nevertheless, Pathlight, apparently unilaterally, has deemed the lease terminated and has been charging holdover rent since May 31, 2023. Pathlight has continued to refuse to replace the well, and while the Durhams have managed, they do not have water they believe is safe.

113. On top of the water well issues, the Durhams have reported other issues affecting the condition of their home, including items that Defendants agree are their responsibility under the leases. In November 2021, the Durhams reported water spots on the ceiling and believed the roof may be leaking. Pathlight sent a vendor who

patched the area and recommended the roof be replaced. Pathlight did not authorize the vendor to complete any additional work.

114. In February 2022, the Durhams reported black mold growing on the walls and ceiling in the basement and made a request through the maintenance portal. In October 2023, their bathroom ceiling began to leak and develop mildew. They placed a maintenance request, and Pathlight sent a vendor who again said the entire roof needed to be replaced.

115. On November 1, 2023, for the first time, Pathlight sent an email stating they had “updated your scheduled move-out date to November 1, 2023” and requested the Durhams confirm when they had fully transitioned out of the home. The Durhams did not respond to this email as they understood the eviction had been stopped based on their communication with Ms. Marquez in May. On December 1, the Durhams received another email with the subject line “Scheduled move out date breached” requesting the Durhams “communicate with a member of our team on the soonest available day you are able to move and return keys.” Again, the Durhams do not recall agreeing to move out or terminate their lease and are very confused by these communications.

116. The Durhams have attempted to pay their rent through the resident portal multiple times, but Pathlight will not accept payment. The Durhams tried to mail a check to the Plano, Texas address listed on their lease in October 2023, but the check was returned. The Durhams again attempted to pay rent through the resident portal on December 9, but received the same notification stating Pathlight

is “unable to process the payment at this time.” The notification then instructed the Durhams to mail payment to the same Plano, Texas address to which they sent the previous check that was returned. The Durhams remain confused by this puzzling series of events.

#### **IV. Numerous Tenants Nationwide Complain.**

117. Plaintiffs are not alone and represent the experiences of similarly situated tenants. Across the country, numerous complaints have been lodged against either Home Partners or Pathlight through social media such as LinkedIn or Facebook, through the Better Business Bureau, or in conciliation or housing court litigation, for their failure to return security deposits owed, or to keep their properties in reasonable repair.

118. As reported by numerous tenants, Defendants often ignore tenant repair requests or wait an inordinate amount of time before addressing the repair.

119. Pathlight was initially accredited by the Better Business Bureau in December 2016, but its accreditation was revoked in 2022. Pathlight’s accreditation has since been reinstated, but the Customer Review page continues to be flooded with a litany of complaints.<sup>16</sup>

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<sup>16</sup> <https://www.bbb.org/us/tx/plano/profile/property-management/pathlight-property-management-0875-90620230> (last visited December 4, 2023).

120. Hundreds of these complaints exist against Defendants' various entities. Indeed, private Facebook group called "Home Partners of America—Company of Stolen Dreams" contains over 2,000 members.<sup>17</sup>

121. Defendants have been subject to numerous suits in housing or small claims actions nationwide, as well as additional actions commenced by the undersigned counsel on behalf of their clients in Minnesota<sup>18</sup>, Washington<sup>19</sup> and Colorado.<sup>20</sup>

122. Only Defendants, however, are aware of the total number of complaints lodged against them, including through Pathlight's resident portal and 800-number.

123. As demonstrated, these failures to repair or to agree to repair directly contradict Defendants' representations that they will quickly make repairs and be available 24/7. These representations misrepresent the service Defendants in reality provide. Defendants routinely fail to make requested repairs or make insufficient or untimely repairs.

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<sup>17</sup> <https://www.facebook.com/groups/HomePartnersofAmericaScandalExpose> (last visited December 4, 2023).

<sup>18</sup> *Sewall, et al. v. Home Partners Holdings LLC, et al.*, 27-CV-22-10389 (Minn. Dist. Ct.)

<sup>19</sup> *Richmond, et al. v. Home Partners Holdings LLC, et al.*, 3:22-cv-05704 (W.D. Wash.)

<sup>20</sup> *Curran, et al. v. Home Partners Holdings LLC, et al.*, 1:23-cv-01279 (Colo.)

### CLASS ACTION ALLEGATIONS

124. Plaintiffs bring this action on behalf of themselves and all others similarly situated (“the Class”) pursuant to Federal Rule of Civil Procedure 23.

125. Plaintiffs propose the following Class definition, subject to amendment as appropriate:

All persons who have paid rent and other fees to Defendants pursuant to a rental agreement with Defendants in the state of Maryland.

126. The following persons are excluded from the above Class definition:

- a. Any judge or magistrate presiding over this action and the members of their family;
- b. Defendants and any of Defendants’ affiliates, parents, or subsidiaries, any entities in which Defendants have a controlling interest, any officer, director or employee of Defendants, any successor or assign of Defendants, anyone employed by counsel in this action;
- c. Persons who properly execute and file a timely request for exclusion from the Class;
- d. Persons whose claims in this matter have been finally adjudicated on the merits or otherwise released; and
- e. Plaintiffs’ counsel and Defendants’ counsel.

127. The requirements for class certification under Federal Rule of Civil Procedure 23 are met as follows:

- a. Plaintiffs are informed and believe, and on that basis allege, that there are hundreds of persons who have entered into rental agreements with Home Partners. As such, the members of the Class are so numerous that joinder of all members in one proceeding would be impracticable.
- b. There are common questions of law and fact common to the Class, including without limitation:
  - i. Whether Defendants' contracts of adhesion illegally disclaim the covenants of habitability and violate state laws;
  - ii. Whether Defendants' lease provisions mislead;
  - iii. Whether Defendants' illegally required tenants obtain insurance to cover damage to Defendants' property;
  - iv. Whether Defendants have failed to return security deposits in full compliance with the law;
  - v. Whether Defendants misrepresented the nature of their services through advertising with the intent to induce persons to sign their contracts of adhesion;
  - vi. Whether Defendants' illegal and unenforceable lease provisions are unfair and deceptive trade practices under state statutes;



- vii. Whether the members of the Class are entitled to damages and equitable relief, including injunctive and monetary relief.
- c. The claims of the Plaintiffs are typical of the claims of the members of the Class, who entered into rental agreements with Defendants and are now contractually bound to the misleading and unlawful terms of those agreements that breach the covenants of habitability and severely limit any recourse available to Plaintiffs and all members of the Class.
- d. The Plaintiffs will fairly and adequately represent the members of the Class and have retained counsel who are competent and experienced in class action and complex litigation.

128. The requirements of Rule 23(b)(2) are met as described below in Plaintiffs' request for injunctive relief.

129. The requirements of Rule 23(b)(3) are met in that:

- a. The questions of law common to the members of the Class predominate over any questions affecting only individual members.
- b. A class action is superior to other methods for the fair and efficient adjudication of this controversy. Because the damages suffered by many individual members of the Class may be relatively small in relation to the costs of litigation, the expense

and burden of individual litigation make it difficult, if not impossible, for members of the Class to redress the wrongs done to them individually. Furthermore, many of the members of the Class may be unaware that claims exist against Defendants.

- c. Plaintiffs know of no difficulty that will be encountered in the management of this litigation that would preclude its maintenance as a class action. The names and addresses of the members of the Class are available from Defendants. Notice will be provided to the members of the Class via first class mail and/or by the use of techniques and a form of notice similar to those customarily used in class actions.

**COUNT I**  
**VIOLATION OF THE MARYLAND CONSUMER PROTECTION ACT**  
**MD. CODE, COMMERCIAL LAW § 13-102, *et seq.***

130. Plaintiffs re-allege all prior paragraphs of this Complaint.

131. Under the Maryland Consumer Protection Act (“CPA”), a landlord engages in unfair or deceptive trade practices by lying, failing to tell the truth, or making misleading statements that could have, or did, mislead a potential tenant/renter.

132. A landlord engages in unfair or deceptive trade practices when making a false or misleading oral or written statement, visual description, or other representation that has the capacity, tendency or effect of deceiving the possible tenant; representing that the property has a characteristic or use that it does not have; representing that the property is of a particular standard, quality, or style that

it is not; failing to state a material fact if the failure deceives or tends to deceive; making a false or misleading statement of the reason for offering the property at a discounted price; and putting a clause in a lease that waives the tenant's right to use a legal defense.

133. Defendants, at the inception of Plaintiffs' and the Class members' leases, knew their leases contained misleading or unenforceable terms and conditions, placed illegal burdens on tenants and violated Maryland law or local ordinances relating to residential premise rental, and made material misstatements or omissions, which either had the tendency to or, in fact, did, mislead Plaintiffs and the Class.

134. Defendants, through their agents, employees and/or subsidiaries, have repeatedly violated the Maryland CPA by knowingly, recklessly, or intentionally concealing, suppressing, misrepresenting, omitting, and/or failing to disclose material facts regarding Defendants' rents charged, rental properties, rental practices, and practices as a landlord.

135. Defendants, through their agents, employees and/or subsidiaries, have repeatedly violated the Maryland CPA by knowingly or recklessly making false or misleading statements of fact and other representations regarding the characteristics and benefits of their properties and property management services.

136. Defendants' misrepresentations and unfair practices begin with dissemination of misleading information on their websites and Anticipated Terms documents, which are directed to tenants and their real estate agents and are

intended to induce prospective tenants to enter leases. These misrepresentations, as set forth in paragraphs 3-6 and 26-55 above, falsely assure prospective tenants that they will not be undertaking onerous obligations under the leases. Even if Defendants could legally shift the burden of maintenance and repair onto tenants through their leases—which as noted above, they have not done—these statements have the capacity to deceive. Tenants later learn that Defendants’ leases and properties carry repair and maintenance obligations tenants did not intend to take on.

137. Defendants’ misleading and unfair practices also include unlawful lease provisions that deceive and mislead consumers into believing they (a) cannot negotiate their monthly rental rates or cannot negotiate the purchase prices of the home, while forcing them to sign agreements stating they in fact did, (b) must make repairs to their rental homes that are not the tenants’ responsibility, (c) must pay for renters’ insurance or use Defendants’ hand-picked “liability coverage” every month to cover the maintenance of and physical damage to Defendants’ rental homes, (d) representing to consumers that they take the property “AS IS” and must make and pay for maintenance and repairs to Defendants’ rental homes, when the law requires that Defendants, not tenants, keep the homes in compliance with applicable health and safety laws, and (e) must pay for other lease administration fees such as the HVAC filter fee, UBSF, Defendants’ attorneys’ legal fees.

138. With regard to liability coverage, Defendants induce tenants to enroll in their Master Resident Liability Program by stating “Note that using an outside

provider may cost \$20 a month or more,”<sup>21</sup> despite the fact that the program does not cover the tenant’s personal property. Defendants automatically enroll tenants, including Plaintiffs, in the Master Resident Liability Program.

139. Defendants and their agents have violated the CPA by telling Plaintiffs and class members that are were obligated to pay illegal fees that were not legally enforceable.

140. Defendants also mislead tenants as to nature, characteristics and alleged benefits of the fees assessed throughout the tenancy. The form leases are drafted in Illinois, at Defendants’ principal place of business, with the advice of their outside counsel, who are also located in Chicago, Illinois.

141. These fees include:

- a. ***The MRLP:*** As described in paragraphs 73-84 above, Defendants require tenants to comply with their “liability coverage” requirement for “damage to our property during your lease term.”<sup>22</sup> Defendants’ “liability coverage” is substance over form—in reality, Defendants have engaged in the unlicensed sale of insurance. Defendants automatically enroll tenants in their Master Resident Liability Program for \$13 per month.

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<sup>21</sup> <https://app.pathlightmgt.com/help/detail/Move-In-and-Liability-Coverage/11116760063771/Can-I-use-an-outside-liability-coverage-provider> (last visited December 4, 2023)

<sup>22</sup> <https://app.pathlightmgt.com/help/detail/Move-In-and-Liability-Coverage/360043425512/Am-I-required-to-have-renter's-insurance> (last visited December 4, 2023).

Defendants induce tenants to enroll in their Master Resident Liability Program by stating “Note that using an outside provider may cost \$20 a month or more,”<sup>23</sup> despite the fact that the program does not cover the tenant’s personal property.

- b. **UBSF:** As described in paragraphs 85-91 above, Defendants’ websites and Anticipated Terms represent their monthly UBSF is “to reimburse for utilities and service paid for by Landlord.” In reality, it covers the administrative costs of hiring a third party, Conservice, to bill tenants for utilities that normally must be kept in the landlord’s name, such as water, sewer, and trash. While tenants are also billed for the underlying water, sewer, and trash costs, they must also pay-to-pay for these utilities. This fact is not disclosed in leases, nor in any “Anticipated Terms” sent to Plaintiffs and prospective tenants. Defendants’ leases are entirely silent on the nature and purpose of this fee.
- c. **HVAC filter fee:** As described in paragraphs 92-93 above, until recently, Defendants required tenants to participate in a mandatory HVAC filter program, through which they charged tenants a mandatory \$15 fee each month for HVAC air filter replacements. Defendants represent their mandatory HVAC

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<sup>23</sup> <https://app.pathlightmgt.com/help/detail/Move-In-and-Liability-Coverage/11116760063771/Can-I-use-an-outside-liability-coverage-provider> (last visited December 4, 2023)

filter program “ensures that you have the best possible air quality in your home.” This fee misleads tenants into believing it is their responsibility to keep the homes in compliance with state and municipal law, when it is actually Defendants’ responsibility. Defendants further represent “[e]ach shipment contains the exact number of high-quality filters your home needs at the time you need to change them.” Defendants mark up the cost of the air filters, but do not disclose this markup to tenants. The air filters cost Defendants \$9 per month. Thus, Defendants receive \$6 per month per tenant.

- d. ***Legal service fees:*** As described in paragraphs 94-95 above, Defendants assess legal fees on Plaintiffs’ and other tenants’ ledgers for outside attorneys to review tenants’ ledgers and files, regardless of whether Defendants bring an eviction action and regardless of whether they prevail in an eviction action. Defendants also assess these legal fees in the future.

142. Defendants intended to induce Plaintiffs and the Class rely on their misrepresentations and omissions in promoting and renting Defendants’ rental properties.

143. Plaintiffs and the Class relied on Defendants’ misrepresentations and omissions with regard to the quality and standard of Defendants’ rental properties

and rental practices when selecting the homes they would rent and prior to signing their lease agreements.

144. Thus, Defendants' conduct, practices, and actions described in this Complaint, with the intent that others rely thereon in connection with Defendants' rental practices, constitute multiple separate violations of the Maryland CFA.

145. Defendants' unfair or deceptive acts or practices had a tendency or capacity to mislead and create a false impression in consumers, and were likely to, and did in fact, deceive reasonable consumers, including Plaintiffs and the Class, about the true nature of Defendants' rental properties, rental practices, and landlord practices, and the maintenance and repair obligations the tenants were required to assume under the leases.

146. Defendants' misrepresentations and omissions were material to Plaintiffs and the Class because they impact basic human needs: shelter, health and safety.

147. Had Plaintiffs and the Class known the truth and true value of Defendants' rental properties, they would not have rented a home through Defendants, or they would have paid significantly reduced rent.

148. Plaintiffs and the Class had no way of discerning Defendants' misrepresentations were false and misleading, and did not and could not have unraveled Defendants' deception on their own.



149. As a result of Defendants' unfair and deceptive trade practices in violation of the CPA, Plaintiffs were induced to make payments to Defendants in excess of what is legal, causing them injury or loss.

150. Plaintiffs and the members of the Class seek to recover damages and reasonable attorneys' fees from Defendants.

**COUNT II**  
**VIOLATION OF MD. CODE, REAL PROP. § 8-208**

151. Plaintiffs re-allege all prior paragraphs of this Complaint.

152. Under Md. Code, Real Prop. § 8-208(d), a landlord may not use a lease or form of lease that:

- a. Has the tenant agree to waive or to forego any right or remedy provided by applicable law;
- b. Has the tenant waive the right to a jury trial;
- c. Provides for a penalty for the late payment of rent in excess of 5% of the amount of rent due for the rental period for which the payment was delinquent.
- d. Is against public policy and void pursuant to § 8-105 of this title (§8-208(d)(7)).

153. Defendants' leases contain numerous provisions that violate § 8-208, including those summarized above. *See Ex. A.*

154. Defendants have violated and continue to violate § 8-208(d) and (g) by charging, attempting to collect and collecting penalties related to the late payment of rent in excess of 5% the amount of rent due, and also misallocate tenants' payments

intended as rent first to non-rent and/or other illegal charges. Further, Defendants do not allow Plaintiffs and other tenants to pay their rent unless these other illegal charges and fees are also paid.

155. Under § 8-208(g)(1), any “lease provision which is prohibited by terms of this section shall be unenforceable by the landlord.” Further, § 8-208(g)(2) allows for the tenant to recover actual damages and reasonable attorneys’ fees if the landlord “tenders a lease containing such a provision or attempts to enforce or makes known to the tenant an intent to enforce any such provision.”

156. Plaintiffs and the Class had no ability to negotiate any lease term.

157. Plaintiffs and the Class could not mitigate their damages due to Defendants’ use and enforcement of illegal leases.

158. Plaintiffs and the Class are entitled to damages, including reasonable attorney’s fees, declaratory relief, and any further relief the Court deems just and proper.

**COUNT III**  
**BREACH OF MD. CODE, REAL PROP. § 8-211**

159. Plaintiffs re-allege all prior paragraphs of this complaint.

160. Pursuant to Md. Code Ann., Real Prop. § 8-211(b), “[i]t is the public policy of Maryland that meaningful sanctions be imposed upon those who allow dangerous conditions and defects to exist in leased premises [...]”

161. Maryland law “imposes an obligation upon landlords to repair and eliminate conditions and defects which constitute, or if not promptly corrected will constitute, a fire hazard or a serious and substantial threat to the life, health or safety

of occupants, including, but not limited to: (1) Lack of heat, light, electricity, or hot or cold running water, except where the tenant is responsible for the payment of the utilities and the lack thereof is the direct result of the tenant's failure to pay the charges; (2) Lack of adequate sewage disposal facilities; (3) Infestation of rodents in two or more dwelling units; (4) The existence of any structural defect which presents a serious and substantial threat to the physical safety of the occupants; or (5) The existence of any condition which presents a health or fire hazard to the dwelling unit.” Md. Code Ann., Real Prop. § 8-211(e).

162. Defendants have failed to remedy defective conditions in Plaintiffs’ and Class Member’s rental properties within a reasonable time after receipt of notice. Defendants have also failed to remedy defective conditions entirely despite receipt of notice.

163. Defendants have breached Maryland law in multiple ways, including, but not limited to:

- a. Failing to remedy defects in the premises during the lease that threaten tenant health and safety;
- b. Failing to remedy defects in the premises at the inception of the lease that affect health and safety of the tenant despite Defendants’ actual or constructive notice of these defects;
- c. Failing to remedy conditions causing mold and dampness;
- d. Failing to provide running water;

- e. Failing to remedy malfunctioning appliances, plumbing and gas facilities, heating facilities, and electrical equipment;
- f. Failing to remedy pest infestations;
- g. Failing to maintain floors, stairways and railings in good repair;
- h. Failing to comply with all applicable building, housing, and health codes;
- i. Requiring tenants to sign leases stating that they have agreed to perform maintenance and repairs and that such amounts have been negotiated or agreed to, when in fact there is no writing separate from the rental agreement, supported by adequate consideration;
- j. Representing to tenants that they take the properties “AS IS” and without any warranty of habitability;
- k. Inserting these obligations into their form contracts of adhesion rather than an agreement that is separate and distinct from their leases, by entering into these agreements in bad faith, with inadequate consideration, and by foisting the burden of maintenance and repair onto tenants who do not have the requisite skills to perform the work required.
- l. Requiring tenants pay a mandatory, monthly \$15 fee for HVAC air filter replacements to “ensure[] that you have the best possible

air quality in your home” and to keep Defendants’ HVAC units in working order.

164. Plaintiffs and the Class have provided written notice to Defendants of the existence of the defects or conditions, and Defendants had, at all relevant times, actual notice pursuant to Md. Code Ann., Real Prop. § 8-211(g).

**COUNT IV  
BREACH OF DUTY OF GOOD FAITH AND FAIR DEALING**

165. Plaintiffs re-allege all prior paragraphs of this Complaint.

166. Every agreement between Plaintiffs and Defendants includes terms and conditions which are not formally expressed but are implied by law. These implied terms are as binding as the terms that are in the written agreement.

167. Defendants’ residential leases contain a contractual duty of good faith and fair dealing that includes, but is not limited to, maintaining their rental properties in accordance with state law, including but not limited to refraining from the unfair, deceptive and misleading practices described herein.

168. Defendants control the performance of virtually every term of their contractual relationship with tenants, including, but not limited to:

- a. The method and manner of rent payments;
- b. the type of insurance tenants must carry and what that insurance covers;
- c. the manner in which tenants pay utilities;
- d. the type, cost and delivery of mandatory HVAC filter replacements;

- e. whether Defendants or tenants are responsible for certain repairs;
- f. whether Defendants will agree to make requested repairs and maintenance;
- g. the length of time tenants must wait for maintenance and repairs to be completed (if at all);
- h. forcing tenants to be on-site at the rental property when maintenance and repairs are to occur;
- i. whether Defendants will accept rent payment through the resident portal; and
- j. deductions from tenants' security deposits upon termination of the lease.

169. Defendants' residential leases contain provisions that defer a decision regarding performance terms of the contract, leaving Defendants with the sole power to control the terms of performance after formation.

170. Defendants' obligation to abide by the duty of good faith and fair dealing is heightened by the imbalance of power between Plaintiffs and Defendants. This substantial imbalance allows Defendants to implement the business scheme described herein and incorporated by reference. Defendants maintain unilateral discretion under their written agreements, which they abuse in bad faith.

171. Defendants' actions and uniform course of conduct, including, but not limited to their unfair and deceptive practices, constructive refusal to make repairs

and maintenance, and their unduly delay of repairs, breach their duty of good faith and fair dealing and unjustifiably hinder Plaintiffs' performance under the contracts.

172. Further, Defendants' practices defy the reasonable expectations of Plaintiffs and the Class in entering into the landlord-tenant relationship, including, without limitation:

- a. Their reasonable expectations that the property is "professionally managed" with "excellent customer service" and "24/7 emergency maintenance service";<sup>24</sup>
- b. Their reasonable expectations that their landlord will make timely repairs and maintenance;
- c. Their reasonable expectations that they will not be responsible for paying out-of-pocket for maintenance and repairs to the landlord's property;
- d. Their reasonable expectations that they will be permitted to use Defendants' rental portal and 800 numbers at all times for purposes of making a maintenance request, whether routine or emergency;
- e. Their reasonable expectations that they will be permitted to make, and for Defendants to accept, full or partial payments of rent amounts charged, whether such amounts are past due or current.

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<sup>24</sup> <https://www.pathlightmgmt.com/search> (last visited December 4, 2023).

173. Defendants have acted in bad faith by refusing to perform their contractual duties, effectively foisting the burden of maintaining their homes onto their tenants to generate more revenue and cut their own costs.

174. Plaintiffs have not impeded Defendants from performing their obligations under their lease agreements in any way.

175. As a direct and proximate cause of Defendants' breach of the implied duty of good faith and fair dealing, Plaintiffs and the Class have suffered injury and damages.

#### **COUNT V RESCISSION**

176. Plaintiffs re-allege all prior paragraphs of this Complaint.

177. Defendants control virtually every aspect of Plaintiffs' lease agreements as set forth in the general allegations hereof in paragraphs 7-12 and 41-95.

178. Defendants' lease agreements illegally and unfairly advantage Defendants through their misleading statements and deceptive practices, as described in this Complaint, with the intent that others rely thereon in connection with the rental or sale of their residential properties. Those practices include Defendants' unlawful lease provisions that deceive and mislead consumers into believing they (a) cannot negotiate their monthly rental rates, while forcing them to sign agreements stating they in fact did, (b) must make repairs to their rental homes because they are rented in an "AS-IS" condition or because Defendants say the repair is "resident responsibility," and (c) must pay for renters' insurance or use Defendants'



hand-picked “liability coverage” every month to cover the maintenance of and physical damage to Defendants’ rental homes.

179. Defendants represent to consumers that they must pay for their renters’ insurance every month to cover all maintenance of their rental homes when Illinois law requires they, not their tenants, maintain the premises in accordance with the warranty of habitability, illegally shifting the burden of maintaining Defendants’ own properties onto their renters.

180. Defendants’ form lease agreements are unconscionable contracts of adhesion, which are unenforceable as contrary to the public interest, policy and law.

181. Defendants’ lease agreements deny consumers the legally cognizable warranty of habitability.

182. Plaintiffs and the Class have incurred out-of-pocket expenses for maintenance costs associated with their leases that should never have been their responsibility to pay as a direct result of the terms of the lease agreement.

183. As a direct and proximate result of Defendants’ conduct, Defendants have received substantial benefits to which they have no entitlement, at Plaintiffs’ and Class Members’ expense, including maintenance costs, rent hikes, insurance premiums and other expenses.

184. Plaintiffs and the Class are entitled to compensation for all of the expenses they were illegally required by Defendants to bear, and that Defendants should have but did not pay.

**COUNT VI  
UNJUST ENRICHMENT**

185. Plaintiffs re-allege all prior paragraphs of this Complaint.

186. Plaintiffs and the Class conferred a benefit on the Defendants by, among other things, paying rent and for the costs of maintenance that Defendants should have paid.

187. Defendants voluntarily accepted and retained through today the benefits conferred by Plaintiffs and the Classes' rent payments, illegal fees, and maintenance costs. The circumstances are such that it would be inequitable for the Defendants to retain these payments.

188. Defendants consciously accepted the benefits that Plaintiffs and the Class conferred and those benefits were not conferred gratuitously.

189. Plaintiffs and the Class conferred these unjust benefits upon Defendants after and as a result of Defendants' illegal misconduct as described in paragraphs 7-12 and 41-95 herein.

**COUNT VII  
DECLARATORY RELIEF**

190. Plaintiffs re-allege all prior paragraphs of this Complaint.

191. An actual controversy has arisen between Plaintiffs and the Class on one hand, and Defendants on the other hand, relating to the following matters:

- a. Whether Defendants have unlawfully imposed maintenance, repair, and payment burdens and obligations on Plaintiffs under form contracts of adhesion.

- b. Whether Defendants have unlawfully failed to maintain the homes rented by Plaintiffs and the Class.
- c. What amounts Plaintiffs and the Class are entitled to receive in compensation.
- d. Whether Defendants unlawfully require tenants to procure renters' insurance to cover damage not caused by tenants to Defendants' building and structures, or to force place them in the "liability coverage" of Defendants' choosing.
- e. Whether the provisions of Defendants' form leases violate the warranty of habitability and illegally thrust the burden of repair onto to tenants.
- f. Whether tenants can be forced to sign agreements stating they either negotiated the rental or purchase price of the home when in fact, no negotiations took place.

192. Plaintiffs and the Class further seek entry of declaratory judgment under 28 U.S.C. § 2201 in their favor which declares Defendants' practices as unlawful, and which provides for recovery of sums determined by this Court to be owed by Defendants to the Plaintiffs and Class.

193. Defendants should be ordered to disgorge all fees in excess of those permissible under Maryland law that they have obtained from Plaintiffs and the Class as a result of collecting these illegal fees and costs.

**COUNT VIII  
INJUNCTIVE RELIEF**

194. Plaintiffs re-allege all prior paragraphs of this Complaint.

195. Defendants will continue their illegal practices, including forcing tenants to enter into and enforcing illegal contracts of adhesion.

196. Plaintiffs and the Proposed Class have been irreparably injured and damaged, and are threatened with injury and damage, by Defendants' continued, unlawful refusal to maintain the homes Defendants themselves own, as well as through Defendants' continued use of misleading, unconscionable lease agreements, and Plaintiffs and the Proposed Class have no adequate remedy at law.

197. Defendants have acted, and threatened to act, on grounds generally applicable to the individual members of the Proposed Class, thereby making appropriate preliminary and permanent injunctive relief enjoining Defendants and their agents from continuing the unlawful practices alleged.

198. Defendants should be ordered to disgorge all fees in excess of those permissible under Maryland law that they have obtained from Plaintiffs and the Class as a result of collecting these illegal fees and costs.

**PRAYER FOR RELIEF**

WHEREFORE, Plaintiffs respectfully ask this Court to award judgment against Defendants as follows:

1. Declaring that Defendants' actions, as set forth above, constitute multiple, separate violations of the common law warranty of habitability; Md. Code,

Real Prop. §§ 8-211 and 8-208; Md. Code, Commercial Law § 13-102, and; declaring that Defendants' form lease agreements are void;

2. Enjoining Defendants and their employees, officers, directors, agents, successors, assignees, affiliates, merged or acquired predecessors, parents or controlling entities, subsidiaries, and all other persons acting in concert or participation with them, from engaging in deceptive practices and making false or misleading statements in violation of Md. Code, Commercial Law § 13-102;

3. Enjoining Defendants and their employees, officers, directors, agents, successors, assignees, affiliates, merged or acquired predecessors, parents or controlling entities, subsidiaries, and all other persons acting in concert or participation with them, from breaching the common law warranty of habitability;

4. Awarding judgment against Defendants for restitution and disgorgement under the general equitable powers of this Court and any other authority for all persons injured by Defendants' acts as described in this Complaint;

5. Awarding Plaintiffs their costs and reasonable attorneys' fees, as provided by applicable law or equity, and as the Court deems just and proper.

6. Awarding prejudgment interest; and

7. Granting such further relief as provided by law or equity, or as the Court deems appropriate and just.

Date: December 22, 2023

**MILBERG COLEMAN BRYSON  
PHILLIPS GROSSMAN, PLLC**

/s/ Thomas A. Pacheco  
Thomas A. Pacheco (Bar No. 21639)

Scott C. Harris  
(to seek admission *pro hac vice*)  
900 W. Morgan St.  
Raleigh, NC 27603  
Phone: (919) 600-5000  
Fax: (919) 600-5035  
tpacheco@milberg.com  
sharris@milberg.com

**ATTORNEYS FOR PLAINTIFFS**

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS

Ayoka Durham and Marcus Durham, each individually and on behalf of all others similarly situated.

(b) County of Residence of First Listed Plaintiff Charles (EXCEPT IN U.S. PLAINTIFF CASES)

(c) Attorneys (Firm Name, Address, and Telephone Number)

ThomasA.Pacheco,MILBERG., 900 W. Morgan St., Raleigh, NC, 27603 (919) 600-5000

DEFENDANTS

Home Partners Holdings LLC, OPVHHJV LLC, d/b/a Pathlight Property Management. SFR Borrower 2022-1

County of Residence of First Listed Defendant (IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- 1 U.S. Government Plaintiff, 2 U.S. Government Defendant, 3 Federal Question (U.S. Government Not a Party), 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- Citizen of This State, Citizen of Another State, Citizen or Subject of a Foreign Country, PTF DEF, 1 1, 2 2, 3 3, 4 4, 5 5, 6 6

IV. NATURE OF SUIT (Place an "X" in One Box Only)

Click here for: Nature of Suit Code Descriptions.

Table with columns: CONTRACT, REAL PROPERTY, CIVIL RIGHTS, TORTS, PRISONER PETITIONS, FORFEITURE/PENALTY, LABOR, IMMIGRATION, BANKRUPTCY, SOCIAL SECURITY, FEDERAL TAX SUITS, OTHER STATUTES. Includes codes like 110 Insurance, 210 Land Condemnation, 310 Airplane, 365 Personal Injury, 625 Drug Related Seizure, 820 Copyrights, 870 Taxes, etc.

V. ORIGIN (Place an "X" in One Box Only)

- 1 Original Proceeding, 2 Removed from State Court, 3 Remanded from Appellate Court, 4 Reinstated or Reopened, 5 Transferred from Another District, 6 Multidistrict Litigation - Transfer, 8 Multidistrict Litigation - Direct File

VI. CAUSE OF ACTION

Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity): VIOLATION OF THE MARYLAND CONSUMER PROTECTION ACTMD. CODE, COMMERCIAL LAW § 13-102. Brief description of cause: a landlord engages in unfair or deceptive trade practices by lying, failing to tell the truth, or making misleading statements... [to] tenant/renter.

VII. REQUESTED IN COMPLAINT:

CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$ 5000000 CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY

(See instructions): JUDGE DOCKET NUMBER

DATE SIGNATURE OF ATTORNEY OF RECORD

12-22-2023 s/ Thomas A. Pacheco

FOR OFFICE USE ONLY

RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

**Case 8:23-cv-03490-LKG Document 1-1 Filed 12/22/23 Page 2 of 2**  
**INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44**

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.  
 United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here. United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.  
 Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.  
 Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If there are multiple nature of suit codes associated with the case, pick the nature of suit code that is most applicable. Click here for: [Nature of Suit Code Descriptions](#).
- V. Origin.** Place an "X" in one of the seven boxes.  
 Original Proceedings. (1) Cases which originate in the United States district courts.  
 Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441.  
 Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.  
 Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.  
 Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.  
 Multidistrict Litigation – Transfer. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407.  
 Multidistrict Litigation – Direct File. (8) Check this box when a multidistrict case is filed in the same district as the Master MDL docket.  
**PLEASE NOTE THAT THERE IS NOT AN ORIGIN CODE 7.** Origin Code 7 was used for historical records and is no longer relevant due to changes in statute.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service.
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.  
 Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.  
 Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

**Date and Attorney Signature.** Date and sign the civil cover sheet.



AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

District of Maryland



Ayoka Durham and Marcus Durham, each individually and on behalf of all others similarly situated,

Plaintiff(s)

v.

Home Partners Holdings LLC, OPVHHJV LLC, d/b/a Pathlight Property Management, SFR Borrower 2022-1 LLC, and HP Maryland I LLC

Defendant(s)

Civil Action No. 8:23-cv-3490

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) OPVHHJV LLC d/b/a Pathlight Property Management c/o CSC-LAWYERS INCORPORATING SERVICE COMPANY 7 ST. PAUL STREET, SUITE 820 BALTIMORE MD 21202

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

Thomas A. Pacheco MILBERG COLEMAN BRYSON PHILLIPS GROSSMAN, PLLC 900 W. Morgan St. Raleigh, NC 27603 (919) 600-5000 tpacheco@milberg.com

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

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

Signature of Clerk or Deputy Clerk

Civil Action No. 8:23-cv-3490

**PROOF OF SERVICE**

*(This section should not be filed with the court unless required by Fed. R. Civ. P. 4 (l))*

This summons for *(name of individual and title, if any)* \_\_\_\_\_  
was received by me on *(date)* \_\_\_\_\_ .

I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_ , who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0.00 .

I declare under penalty of perjury that this information is true.

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

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc:

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

District of Maryland



Ayoka Durham and Marcus Durham, each individually and on behalf of all others similarly situated,

Plaintiff(s)

v.

Home Partners Holdings LLC, OPVHHJV LLC, d/b/a Pathlight Property Management, SFR Borrower 2022-1 LLC, and HP Maryland I LLC

Defendant(s)

Civil Action No. 8:23-cv-3490

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address)

Home Partners Holdings LLC
c/o Jonathan Babb, SVP, GC and Secretary
120 S Riverside Plz Ste 2000
Chicago, IL 60606-6995

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

Thomas A. Pacheco
MILBERG COLEMAN BRYSON PHILLIPS GROSSMAN, PLLC
900 W. Morgan St.
Raleigh, NC 27603
(919) 600-5000
tpacheco@milberg.com

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

Date:

Signature of Clerk or Deputy Clerk

Civil Action No. 8:23-cv-3490

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I personally served the summons on the individual at *(place)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_ , who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
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I declare under penalty of perjury that this information is true.

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

\_\_\_\_\_  
*Server's signature*

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*Printed name and title*

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*Server's address*

Additional information regarding attempted service, etc:

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

for the

District of Maryland



Ayoka Durham and Marcus Durham, each individually and on behalf of all others similarly situated,

Plaintiff(s)

v.

Home Partners Holdings LLC, OPVHHJV LLC, d/b/a Pathlight Property Management, SFR Borrower 2022-1 LLC, and HP Maryland I LLC

Defendant(s)

Civil Action No. 8:23-cv-3490

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) HP Maryland I LLC c/o Corporation Service Company 251 LITTLE FALLS DRIVE Wilmington, DE 19808

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

Thomas A. Pacheco MILBERG COLEMAN BRYSON PHILLIPS GROSSMAN, PLLC 900 W. Morgan St. Raleigh, NC 27603 (919) 600-5000 tpacheco@milberg.com

If you fail to respond, judgment by default will be entered against you for the relief demanded in the complaint. You also must file your answer or motion with the court.

CLERK OF COURT

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

Signature of Clerk or Deputy Clerk

Civil Action No. 8:23-cv-3490

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\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_ , and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_ , who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*:

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\_\_\_\_\_  
*Server's signature*

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*Printed name and title*

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*Server's address*

Additional information regarding attempted service, etc:

AO 440 (Rev. 06/12) Summons in a Civil Action

UNITED STATES DISTRICT COURT

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Ayoka Durham and Marcus Durham, each individually and on behalf of all others similarly situated,

Plaintiff(s)

v.

Home Partners Holdings LLC, OPVHHJV LLC, d/b/a Pathlight Property Management, SFR Borrower 2022-1 LLC, and HP Maryland I LLC

Defendant(s)

Civil Action No. 8:23-cv-3490

SUMMONS IN A CIVIL ACTION

To: (Defendant's name and address) SFR Borrower 2022-1 LLC c/o CSC-LAWYERS INCORPORATING SERVICE COMPANY 7 ST. PAUL STREET, SUITE 820 BALTIMORE MD 21202

A lawsuit has been filed against you.

Within 21 days after service of this summons on you (not counting the day you received it) — or 60 days if you are the United States or a United States agency, or an officer or employee of the United States described in Fed. R. Civ. P. 12 (a)(2) or (3) — you must serve on the plaintiff an answer to the attached complaint or a motion under Rule 12 of the Federal Rules of Civil Procedure. The answer or motion must be served on the plaintiff or plaintiff's attorney, whose name and address are:

Thomas A. Pacheco MILBERG COLEMAN BRYSON PHILLIPS GROSSMAN, PLLC 900 W. Morgan St. Raleigh, NC 27603 (919) 600-5000 tpacheco@milberg.com

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

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Civil Action No. 8:23-cv-3490

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\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I left the summons at the individual's residence or usual place of abode with *(name)* \_\_\_\_\_  
\_\_\_\_\_, a person of suitable age and discretion who resides there,  
on *(date)* \_\_\_\_\_, and mailed a copy to the individual's last known address; or

I served the summons on *(name of individual)* \_\_\_\_\_, who is  
designated by law to accept service of process on behalf of *(name of organization)* \_\_\_\_\_  
\_\_\_\_\_ on *(date)* \_\_\_\_\_ ; or

I returned the summons unexecuted because \_\_\_\_\_ ; or

Other *(specify)*:

My fees are \$ \_\_\_\_\_ for travel and \$ \_\_\_\_\_ for services, for a total of \$ \_\_\_\_\_ 0.00 .

I declare under penalty of perjury that this information is true.

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

\_\_\_\_\_  
*Server's signature*

\_\_\_\_\_  
*Printed name and title*

\_\_\_\_\_  
*Server's address*

Additional information regarding attempted service, etc:



# **EXHIBIT A**

HP Maryland I LLC



Partial Summary of Residential Lease Agreement

The following is a summary prepared for informational purposes only and does not substitute, replace or alter the applicable lease agreement with the tenant(s) identified below ("Lease"). In the event of a conflict between the Lease and the terms of this summary, the terms and provisions of the Lease shall govern and control.

**Premises Address:** 6290 Cracklingtown Road  
Hughesville MD  
20637

**Tenant (s):** Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham  
(collectively)

**Contact Info:** Email: yogibear8.ad@gmail.com

Estimated Commencement Date: 09/04/2021

Last day of Initial Term: 09/03/2022

**Rent Due Date:** 1st day of each month

**Late Payment Fee:** See Section 3 of Lease

**Security Deposit:** 5840.00

**Initial Pet Fee:** \$ 0.00  
(non-refundable)

Monthly Base Rent:			Pet Rent:		Final Rent:
(yr. 1)	<u>2920.00</u>	+	<u>0.00</u>	=	<u>2920.00</u>
(yr. 2)	<u>3030.00</u>	+	<u>0.00</u>	=	<u>3030.00</u>
(yr. 3)	<u>3140.00</u>	+	<u>0.00</u>	=	<u>3140.00</u>
(yr. 4)	<u>3260.00</u>	+	<u>0.00</u>	=	<u>3260.00</u>
(yr. 5)	<u>3380.00</u>	+	<u>0.00</u>	=	<u>3380.00</u>

## DOCUMENT REVIEW ACKNOWLEDGEMENT



## (HOME PARTNERS MARYLAND)

Each of the undersigned persons identified as Tenant in the signature lines below (jointly and severally, "Tenant") acknowledges and agrees that he/she has had the opportunity to consult with his/her legal counsel regarding the Residential Lease Agreement ("Lease"), the Residential Right to Purchase Agreement together with the form Purchase Contract attached thereto ("RTP Agreement"), the REALtech Title, LLC ("Escrow Agent") Sole Order Escrow Instructions together with the Escrow Instruction Agreement, together with all Exhibits and Addenda and other documents related to any of them, copies of which were delivered to Tenant, as well as this Document Review Acknowledgement ("Acknowledgment") and collectively with the foregoing referenced agreements, the "Agreements"). Whether each of the Tenants has chosen to consult with his/her legal counsel of choice regarding the Agreements or has voluntarily chosen to waive his/her right to consult with legal counsel, he/she acknowledges, agrees and represents to HP Maryland I LLC, a Delaware limited liability company ("Home Partners") which is party to one or more of the Agreements, as follows:

1. he/she has completely read and voluntarily accepts the terms and conditions of each of the Agreements;
2. the terms of each of the Agreements shall not be construed against Home Partners, its affiliates, agents, successors or assigns, or any other party because of that party's role in drafting or revising such Agreements, nor construed in favor of any party because that party failed to understand the legal effect of the terms and conditions contained therein;
3. Home Partners has submitted (or will submit) an offer to purchase a property which has been selected by Tenant and that will constitute the "Premises" as such term is used in the Agreements and which is identified below, which purchase offer has only been submitted (or will be submitted) in express reliance upon (a) the execution and delivery of this Acknowledgement by Tenant, (b) Tenant's acknowledged satisfaction with such Premises as well as the terms and conditions contained in each of the Agreements (including, if available, the estimated costs for Home Partners to acquire and rehabilitate the Premises, it being understood and agreed that the final costs thereof may not be known as of the date hereof, and are subject to adjustment as set forth in the Agreements), such satisfaction being confirmed by virtue of Tenant's execution and delivery of this Acknowledgement, the Lease and the RTP Agreement to Home Partners, and (c) Tenant's irrevocable offer to execute and deliver to Home Partners each of the Agreements in the event Home Partners' offer to purchase the Premises (as same may be modified) is accepted by the current owner thereof ("Purchase Offer"), without further negotiation or modification by Tenant, and after the blanks contained in the Lease and the RTP Agreement have been filled in with the deal-specific information (for example, the name(s) of Tenant and the Purchase Right Holder, the address of the Premises, the lease term dates, the rent schedule, the amount of the security deposit, the purchase price of the Premises during each year of the Lease term, town-specific addendums (if any) requiring provisions mandated by law, etc.);
4. the submission of this Acknowledgment executed by Tenant to Home Partners shall constitute (a) Tenant's irrevocable authorization to Home Partners to make and enter into a Purchase Offer for the Premises (or a ratification of such authorization if such Purchase Offer has already been made based upon the verbal commitment of Tenant to sign the Agreements) and (b) an irrevocable offer by Tenant to enter into the Agreements if the Purchase Offer is accepted by the owner of the Premises, without which Home Partners would not be making a Purchase Offer or pursue such purchase to completion;
5. simultaneously with the submission of this Acknowledgment executed by Tenant to Home Partners, Tenant will deliver to Home Partners a deposit in the amount of \$ 5840.00 ("Deposit") which shall be in the form of cashier's check, money order or other immediately available funds. The Deposit will initially be held as a good faith deposit under this Acknowledgement (and shall be deposited by Home Partners into a sole order escrow with the Escrow Agent upon the full acceptance and execution of the Purchase Offer). Upon the later to occur of (a) the full execution and delivery of the Lease and the RTP Agreement by Tenant and Home Partners and (b) the acquisition of title to the Premises by Home Partners, the Deposit shall automatically be credited toward the Security Deposit required under the Lease; provided, however that (i) if the amount of the Deposit is insufficient to cover all Security Deposit amounts required by the Lease, then Tenant shall immediately deposit any Security Deposit short-fall to Home Partners in accordance with the terms of the Lease and (ii) if the amount of the Deposit exceeds the amount of the Security Deposit required by the Lease, then Home Partners shall apply such excess amount to the Rent then due and coming due under the Lease or, if required by Applicable Law, refund such excess amount to Tenant;
6. Tenant acknowledges that Home Partners shall have incurred significant costs in an attempt to purchase (or the actual purchase of) the Premises and **SPECIFICALLY ACKNOWLEDGES AND AGREES THAT HOME PARTNERS SHALL HAVE THE RIGHT TO RETAIN THE DEPOSIT MADE UNDER THIS ACKNOWLEDGMENT (PRIOR TO THE APPLICATION OF SUCH DEPOSIT BY HOME PARTNERS AGAINST THE SECURITY DEPOSIT REQUIRED UNDER THE LEASE AS DESCRIBED IN PARAGRAPH 5 ABOVE), (a) TO REIMBURSE HOME PARTNERS FOR ITS OUT-OF-POCKET COSTS AND EXPENSES INCURRED IN CONNECTION WITH PURCHASING OR ATTEMPTING TO PURCHASE THE PREMISES (INCLUDING, BUT NOT LIMITED TO, PROCESSING TENANT'S APPLICATION AND SCREENING TENANT FOR THE HOME PARTNERS' LEASE**

WITH RIGHT TO PURCHASE PROGRAM, INSPECTION COSTS, THIRD PARTY PROFESSIONAL COSTS, CLOSING COSTS, REHABILITATION COSTS OF THE PREMISES, ATTORNEYS' FEES AND SIMILAR COSTS; COLLECTIVELY, "TERMINATION COSTS") AND (b) TO THE EXTENT THAT THE AMOUNT OF THE DEPOSIT SO RETAINED BY HOME PARTNERS EXCEEDS THE AGGREGATE AMOUNT OF THE TERMINATION COSTS, SUCH DIFFERENCE SHALL BE DEEMED TO BE LIQUIDATED DAMAGES TO COMPENSATE HOME PARTNERS FOR THE LOSS OF ITS BARGAIN (TENANT ACKNOWLEDGES AND AGREES THAT THE AMOUNT OF HOME PARTNERS' ACTUAL DAMAGES IN SUCH CIRCUMSTANCE WOULD BE DIFFICULT, IF NOT IMPOSSIBLE, TO DETERMINE AND THAT THE AMOUNT OF THE DEPOSIT IN EXCESS OF THE TERMINATION COSTS ARE A REASONABLE ESTIMATE OF DAMAGES AND NOT A PENALTY), in the event Tenant changes its mind or fails to execute and deliver all of the remaining

DS  
T. [Signature] (Tenants' Initials)

(Tenants' Initials)

- 7. Tenant acknowledges that Home Partners shall have expended significant time and resources in connection with reviewing any application and/or documentation submitted by Tenant and its efforts to make a Purchase Offer for the Premises (whether accepted by the seller or not) and agrees that should Tenant fail to consummate the transactions contemplated by the Agreements, then Tenant agrees that for a period of seven (7) years after the date below (the "Restricted Term"), each Tenant shall be disqualified from participation in the Home Partners' Lease with a Right to Purchase Program and none of them shall submit an application for any such (or similar) program with Home Partners or its affiliates and in the event such application is made, Tenant acknowledges and agrees that Home Partners and/or its affiliates shall have the right during the Restricted Term to disapprove any application for a lease or residency made by any of them;
- 8. the terms of this Acknowledgement shall be binding on Tenant whether or not the remainder of the Agreements are executed (in whole or in part) or if executed, later terminated; and
- 9. the common address of the Premises is: 6290 Cracklingtown Road, Hughesville, MD 20637.
- 10. If Tenant disputes Home Partners' right to collect and/or retain all or any portion of the Deposit or if there are any controversies related to the Deposit or this Acknowledgment, then Tenant agrees that it must submit the claim, dispute or controversy to arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules. Each party shall pay its own attorneys' fees, costs, and expenses including any filing, appearance or other arbitration fees. If Tenant files suit instead of instituting arbitration proceedings, then Tenant shall pay Home Partners' reasonable attorneys' fees, costs and expenses, including court costs, seeking to compel arbitration in accordance with this agreement to arbitrate and the terms contained in this Paragraph shall supersede any conflicting provisions of the American Arbitration Association. Tenant shall not be entitled to any consequential, incidental or exemplary damages. For the avoidance of doubt, the terms of this Paragraph pertaining to arbitration shall pertain solely to resolution of who is entitled to retain the Deposit pursuant to this Acknowledgement and shall not apply to any of the other Agreements.

Tenant and Home Partners has each executed this Document Review Acknowledgment as of the date written below.

DocuSigned by:  
 T. [Signature] Wendall Durham  
 57685CBE97B3405...  
 DocuSigned by:  
 Name: Marcus D. Durham  
 D3C9AF5506A64E7...  
 DocuSigned by:  
 Name: [Signature] Jordan M. Durham  
 1282D3C9CA1A421...  
 DocuSigned by:  
 Name: Jordan M Durham  
 E4C0EDA175D948B...

Acknowledged and agreed to by the undersigned as of  
8/24/2021 :  
 HP Maryland I LLC, a Delaware limited liability  
 company  
 DocuSigned by:  
 [Signature] Maria Garcia  
 B15997C2DF1E4AE...  
 By: \_\_\_\_\_  
 Printed Name: \_\_\_\_\_  
 Title: Authorized Agent

Name: Tyrique K Durham  
Date: 7/27/2021



ESCROW INSTRUCTION AGREEMENT

Each of the undersigned persons who collectively constitute the "Tenant" for purposes hereof, understands agrees and acknowledges that HP Maryland I LLC, a Delaware limited liability company ("Home Partners") has submitted a purchase offer to buy that certain residential property located at 6290 Cracklingtown Road, Hughesville, MD 20637 that will constitute the "Premises" as such term is used in the Residential Lease Agreement ("Lease") and the Residential Right to Purchase Agreement ("RTP Agreement" and collectively with the Lease and any Addenda thereto, the "Agreements"), which purchase offer was submitted in reliance on the Tenant's acknowledgment that it has both selected and confirmed its satisfaction with both the Premises and all of the terms and conditions contained in the Agreements together with the Document Review Acknowledgment executed by Tenant, and REALtech Title, LLC ("Escrow Agent") Sole Order Escrow Instructions, copies of which have been provided to Tenant (collectively, the "Final Documents") and the unconditional commitment on behalf of the Tenant to execute and deliver to Home Partners the Final Documents, without further negotiation or changes.

Home Partners' offer to purchase the Premises has been accepted by the current owner of the Premises. Concurrently with the execution of this Escrow Instruction Agreement, Tenant (a) shall execute and deliver to Home Partners the Lease, the RTP Agreement and the Document Review Acknowledgment, (b) unconditionally and irrevocably agrees that Home Partners shall have the right to issue a written sole order direction substantially in the form of Exhibit A attached hereto to Escrow Agent to release to Home Partners (or as Home Partners shall direct) the Deposit previously submitted by Tenant to Home Partners (which was previously deposited into escrow pursuant to the Sole Order Escrow Instructions) upon the earlier to occur of (i) the closing of the purchase of the Premises by Home Partners (or its assignee) from the current owner thereof or (ii) Home Partners becoming entitled to all or any portion of such funds pursuant to the terms of any of the Final Documents, (c) acknowledges that the sole condition to Home Partners' right to collect and retain the escrowed funds is either of the reasons identified in (b) above, and (d) shall promptly be mailed a copy of the sole order direction submitted by Home Partners to Escrow Agent for return of the funds if such demand is made pursuant to subsection (b)(ii) above.

If Tenant claims all or any portion of the escrowed funds or disputes Home Partners' right to collect, direct and/or retain the escrowed funds or if there are any controversies related to the escrowed funds, the escrow, the Sole Order Escrow Instructions or this Escrow Instruction Agreement, then Tenant must submit the claim, dispute or controversy to arbitration administered by the American Arbitration Association under its Commercial Arbitration Rules. Each party shall pay its own attorneys' fees, costs, and expenses including any filing, appearance or other arbitration fees. If Tenant files suit instead of instituting arbitration proceedings, then Tenant shall pay Landlord's reasonable attorneys' fees, costs and expenses, including court costs, seeking to compel arbitration in accordance with this arbitration agreement. Tenant shall not be entitled to any consequential, incidental or exemplary damages. The terms of the arbitration agreement shall supersede any conflicting provisions of the American Arbitration Association. For the avoidance of doubt, the terms of the arbitration agreement shall not apply to the Lease, the RTP Agreement or any of the other Final Documents, but shall only pertain to resolution of the escrowed funds pursuant to this Escrow Instruction Agreement.

ACKNOWLEDGED AND AGREED TO this date: 8/24/2021

DocuSigned by: T.D. Trinity Durham
DocuSigned by: Marcus Wendall Durham
Name: Marcus Wendall Durham
Name: Jordan M Durham

DocuSigned by: Marcus Durham
DocuSigned by: Ayoka A Ross-Durham
Name: Ayoka A Ross-Durham
Name: Tyrique K Durham

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham
Premises Address: 6290 Cracklingtown Road, Hughesville, MD 20637

**EXHIBIT A**  
**TO ESCROW INSTRUCTION AGREEMENT**

REALtech Title, LLC

\_\_\_\_\_

**Date:** 8/24/2021

**ESCROW ACCOUNT NUMBER:** \_\_\_\_\_

**ADDRESS OF PREMISES:** 6290 Cracklingtown Road, Hughesville, MD 20637

Ladies and Gentlemen:

Pursuant to the Sole Order Escrow Instructions entered into by the undersigned for the above-referenced Escrow and Address of Premises, effective immediately, the undersigned hereby orders and directs REALtech Title, LLC, as Escrowee, to deliver all amounts previously deposited with it as Escrowee pursuant to the above Escrow Account Number, to HP Maryland I LLC, a Delaware limited liability company (or as the undersigned shall direct), together with any interest that may have been earned thereon, pursuant to such instructions as the undersigned or its legal representatives or assigns provide.

HP Maryland I LLC, a Delaware limited liability company

DocuSigned by:  
  
B15997C2DF1E4AE...

By: \_\_\_\_\_

Name:

Title: Authorized Agent

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham  
Premises Address: 6290 Cracklingtown Road, Hughesville, MD 20637

Escrow InstructionAgmt: MD: 2018-01

RESIDENTIAL LEASE AGREEMENT (HOME PARTNERS MARYLAND)



This Residential Lease Agreement (the "Lease") is made and entered into effective as of the Effective Date (defined below) by and among Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham (individually or if more than one person is named, collectively, "Tenant") and HP Maryland I LLC, a Delaware limited liability company ("Landlord").

WHEREAS, Landlord desires to lease the Premises (defined below) to Tenant upon the terms and conditions contained herein and Tenant desires to lease the Premises from Landlord on the terms and conditions contained herein.

NOW, THEREFORE, for and in consideration of the mutual covenants and obligations stated herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree that the recitals set forth above are incorporated into this Lease as though fully set forth below, and otherwise agree as follows:

1. BASIC LEASE INFORMATION.

- A. "Effective Date" shall have the meaning set forth on the signature page of this Lease.
B. "Household Members" shall mean Tenant and each of the following people who shall be members of the household:
Name: \_\_\_\_\_ Name: \_\_\_\_\_
Name: \_\_\_\_\_ Name: \_\_\_\_\_

C. "Landlord Notice Address" shall mean:

HP Maryland I LLC
120 S. Riverside Plaza, Suite 2000,
Chicago, IL 60606
Attn: General Counsel
Telephone: (877) 234-5155
Email: notices@homepartners.com
FAX: (312) 780-1669

With a copy to:
HP Maryland I LLC
c/o Pathlight Property Management
6500 International Pkwy #1100
Plano, TX 75093
Attn: Property Manager
Telephone: (800) 527-5030
Email: movein@pathlightmgt.com
FAX: (866) 221-8563

- D. "Monthly Base Rent" shall mean \$ 2920.00 per calendar month during the Initial Term. Effective as of the first day of each Renewal Term, the Monthly Base Rent amount shall be increased to the following amount specified for such Renewal Term (subject to adjustment in accordance with the terms of this Lease):

Table with 3 columns: LEASE TERM, ANNUAL BASE RENT, MONTHLY BASE RENT. Rows include Initial Term (Year 1) through Fourth Renewal Term (Year 5).





- E. Payments of Rent (as defined in Section 2.T) and all other amounts due under this Lease shall be made payable to the order of: "HP Maryland I LLC" and shall be paid at the following address or such other name and address as Landlord shall, from time to time, designate in writing:

HP Maryland I LLC

6500 International Pkwy #1100 Plano,

Telephone: (800) 527-5030

- F. "Premises" shall mean the real property (together with improvements located thereon owned by Landlord) having a street address of: 6290 Cracklingtown Road, Hughesville, MD 20637.
- G. "Security Deposit" shall mean an amount equal to \$ 5840.00. By its execution of this Lease, Landlord acknowledges receipt of a Security Deposit from Tenant in the total amount of \$ 5840.00 and this statement shall constitute a receipt for purposes of Applicable Law.
- H. "Tenant's Notice Address" shall mean the Premises (and 6290 Cracklingtown Road, Hughesville, MD 20637 for information purposes only) and Email shall be yogibear8.ad@gmail.com.
- I. "Tenant Notice Recipient" shall mean Marcus Wendall Durham.
- J. "Utility Billing Service Fee" shall mean an amount equal to \$ 9.95 per calendar month.
- K. "Utility One-Time Fee" shall mean an amount equal to \$ 30.00, which shall be due and payable on or before the first day of the month immediately following the month in which the Commencement Date occurs (for the avoidance of doubt, if the Commencement Date is February 1 or February 15, such amount shall be due and payable on or before March 1).

2. **DEFINITIONS.** The following are definitions of some of the defined terms used in this Lease. The definitions of other defined terms are found throughout this Lease. Capitalized terms used in this Lease which are not otherwise defined herein shall have the meanings ascribed to them in the Right to Purchase Agreement, which is being signed concurrently with this Lease.

- A. "Additional Rent" shall mean any and all sums (exclusive of Monthly Base Rent and Pro-Rated Rent) that are required to be paid to Landlord by Tenant hereunder, or which sums are deemed to be Additional Rent under this Lease (including but not limited to Pet Rent, as defined in the Pet Addendum, as applicable).
- B. "Applicable Laws" shall mean, collectively, any and all laws, ordinances, statutes, rules, regulations and orders of any and all governmental or quasi-governmental authorities or bodies applicable to the Premises.
- C. "Business Day(s)" shall mean Mondays through Fridays exclusive of normal Federal holidays.
- D. "Business Hours" shall mean 9 a.m. through 5 p.m., **Central Time**.
- E. "Commencement Date" shall be the date that Landlord tenders possession of the Premises to Tenant which shall be documented in the Commencement Date Notification.
- F. "Estimated Commencement Date" is 09/04/2021.
- G. "Expiration Date" shall mean 11:59 p.m. on the last day of the Term, as the same may be extended pursuant to Paragraph 1.f.ii of the Right to Purchase Agreement.
- H. "First Renewal Term Start Date" will be the first day of the First Renewal Term, which shall be documented in the Commencement Date Notification.



- I. "HOA Rules" shall mean, collectively, all rules, regulations, declaration of covenants, conditions and restrictions, and/or bylaws of any applicable homeowner association, master/umbrella association or condominium association ("HOA").
- J. "Initial Term" shall mean a period of twelve (12) calendar months commencing on the Commencement Date. "Renewal Term" shall mean each consecutive twelve (12) calendar month period immediately following the Initial Term and starting on the First Renewal Term Start Date or previous Renewal Term. The Initial Term, as extended by all effective Renewal Terms is referred to herein as the "Term."
- K. "Landlord's Agents" or "Landlord Indemnitees" shall mean in each case, collectively, any member, officer, director, employee, agent (including Landlord's property managers), representatives, personnel and assigns of Landlord or any of its affiliates.
- L. "Landlord's Rights and Remedies" shall mean, collectively, each and every right and remedy contained in this Lease, other written agreements among the parties relating to the Premises, or which is afforded to Landlord pursuant to Applicable Laws or in equity.
- M. "Late Payment Fee" shall have the meaning set forth in Section 4.
- N. "Occupants" shall mean any of Tenant, Household Members, occupants, invitees, licensees, guests, visitors, agents or employees or any person entering the Premises except Landlord and Landlord's Agents.
- O. "Pro-Rated Rent" shall mean the amount of Monthly Base Rent due for the month in which the Commencement Date occurs. For example, if the Commencement Date is the first day of a calendar month, then the Pro-Rated Rent shall be equal to the full amount of the Monthly Base Rent; however, if the Commencement Date is not the first day of a calendar month, then the Pro-Rated Rent shall equal the Monthly Base Rent due for such month multiplied by a fraction, the numerator of which is the number of days from and including the Commencement Date through and including the last day of such month and the denominator of which is the number of days in such calendar month (for example, if Monthly Base Rent equals \$1,000 and the Commencement Date is April 16, then the Pro-Rated Rent shall be equal to \$500 (i.e., \$1,000 x 15/30)).
- P. "Pro-Rated Rent Due Date" shall have the meaning set forth in Section 4, which shall be documented in the Commencement Date Notification.
- Q. "Purchase Right Holder" shall mean all of the persons identified as such in the Right to Purchase Agreement.
- R. "Purchaser" shall have the meaning set forth in the Right to Purchase Agreement.
- S. "Renewal Term" shall have the meaning set forth in Section 2.J.
- T. "Rent" shall mean all Monthly Base Rent, Pro-Rated Rent and Additional Rent together with any other amounts due and payable by the Tenant under this Lease.
- U. "Right to Purchase Agreement" or "RTP Agreement" shall mean that certain Residential Right to Purchase Agreement of approximately even date herewith (together with any Addenda or amendments thereto), entered into between Landlord and Purchase Right Holder.
- V. "Term" shall have the meaning set forth in Section 2.J.

3. **LEASE TERM.** Subject to the terms and conditions of this Lease, the Right to Purchase Agreement, any other written agreements among the parties pertaining to the Premises, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord, for use as a private, single family dwelling/residence only, the Premises commencing on the Commencement Date and ending on the Expiration Date. **Unless Tenant is in default under any provision of this Lease or Purchase Right Holder is in default of the Right to Purchase Agreement, upon each scheduled Expiration Date, the Term of this Lease will automatically renew for one (1) additional Renewal Term unless Tenant shall have given Landlord written notice of Tenant's intention to terminate this Lease effective as of the then-scheduled Expiration Date, which notice**

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham

Tyrique K Durham

Premises Address: 6290 Cracklintown Road, Hughesville, MD 20637  
Lease-RTP-MD: 2020-03



must be given at least sixty (60) days prior to the then-scheduled Expiration Date. Each Renewal Term shall be upon the same terms and conditions as are contained in this Lease, except for the amount of the Monthly Base Rent. Notwithstanding anything contained herein or in the Right to Purchase Agreement to the contrary, (a) the Term shall not automatically renew at the end of the Fourth (4<sup>th</sup>) Renewal Term and (b) the last day of the Term shall be no later than the last day of the Fourth Renewal Term.

Each Tenant acknowledges and agrees that his or her right to continue leasing and/or occupying the Premises may cease sooner than the scheduled Expiration Date in the event (i) the Purchase Right Holder purchases the Premises, in which event the Term of this Lease shall terminate effective as of the actual Closing Date (as defined in the Right to Purchase Agreement) or (ii) Landlord terminates this Lease in the event of a default by Tenant under this Lease. **If Tenant is in default of this Lease, Landlord shall have the right to exercise Landlord's Rights and Remedies including the right to terminate this Lease (that would automatically result in a termination of the Right to Purchase Agreement) or the right to notify Tenant that this Lease shall expire upon the expiration of the then-existing Term and shall not automatically renew for any subsequent Renewal Term.** Except where required by Applicable Laws, this Lease will not renew on a month-to-month basis under any circumstances. Tenant may have rights under Applicable Laws to terminate this Lease in certain situations involving family violence, sexual assault or military deployment or transfer.

If the Premises is part of an HOA and this Lease, Tenant and/or the Occupants must be approved by such HOA, then this Lease is expressly contingent upon receiving such approvals from the HOA. Any application fee or separate security deposit required by the HOA shall be paid by Landlord. If any required HOA approval is not obtained prior to the Estimated Commencement Date (as same may be extended pursuant to Section 44), then upon notice from Landlord, this Lease shall terminate and Tenant shall receive a return of any Security Deposit and pre-paid Rent. Tenant agrees to use due diligence in applying for HOA approval and to comply with the requirements for obtaining approval. Furthermore, and notwithstanding anything contained in this Lease to the contrary, in the event the HOA should amend or modify any applicable HOA Rules resulting in the restriction or prohibition of Landlord's right to lease the Premises to Tenant beyond the then-applicable Initial Term or Renewal Term or in the event that the HOA refuses to approve the Lease and/or the Tenant for any applicable Renewal Term, then Landlord shall have the right to terminate the Term of this Lease upon notice to Tenant, which notice shall be given promptly after Landlord has actual knowledge of such HOA restriction or refusal. Upon the giving of such termination notice by Landlord, the Term of this Lease shall terminate and expire effective as of the date set forth in such notice, which date shall be the then-scheduled Expiration Date (or such earlier date as may be required by the HOA) and Tenant shall have no further rights to renew the Term of this Lease.

**4. RENT AND LATE CHARGES.** Tenant agrees to pay to Landlord the Monthly Base Rent together with any Additional Rent in advance, and without demand, on or before 11:59 p.m. on the first day of every month during the Term at the address contained herein for payment of Rent (or such other address as Landlord may designate in writing to Tenant) or pursuant to an online rent payment system designated by Landlord or Landlord's Agents). On or before three (3) Business Days after Tenant's receipt of notice that Landlord has closed on the acquisition of title to the Premises (the "*Pro-Rated Rent Due Date*"), Tenant shall pay to Landlord the Pro-Rated Rent due for the month of the Commencement Date. If the Expiration Date is not the last day of a calendar month, then the Monthly Base Rent for such last month of the Term shall be prorated based upon the number of days in such calendar month. Landlord shall provide Tenant with a Commencement Date Notification, which form is attached hereto, identifying the Commencement Date, Expiration Date and Pro-Rated Rent. If the first day of a Renewal Term is not the first day of a calendar month, then the Monthly Base Rent for the month in which it occurs shall be prorated based upon the amounts payable before and after the commencement of such Renewal Term.

Tenant agrees to make all Rent payments on or before the date when due and all Rent shall be paid by check or certified funds (e.g., money order, wire transfer or cashier's check). If payment is made by personal check, Landlord is authorized to scan the check and convert it into a one-time electronic debit from the bank account against which the check was written. In addition to Landlord's Rights and Remedies, Tenant agrees to pay a service charge equal to the sum of Thirty-Five Dollars (\$35.00) for each check or other bank instrument tendered for payment of any of Tenant's obligations hereunder that is returned, dishonored or unpaid by the institution upon which it was drawn (whether for insufficient funds, stop payment or any other reason) or is a rejected electronic payment (but in no event an amount that is higher than permitted by Applicable Law) to offset Landlord's administrative costs (each, a "*Returned Payment*" and each such service charge, a "*Returned Payment Fee*"). Returned Payment Fees shall be considered Additional Rent. Additionally, after two (2) or more Returned Payments within any rolling twelve-month period or upon the occurrence of a default by Tenant under this Lease, Landlord shall have the right to require Tenant to make all future Rent payments with certified funds (e.g., money order, wire transfer or cashier's check). Rent sent by U.S. mail or otherwise shall be deemed paid on the date actually received by Landlord or Landlord's Agent. This Section does not limit Landlord from seeking other remedies under this Lease for Tenant's failure to make timely payments of amounts due under this Lease with good funds.

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham

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If any portion of any required Rent payment is not received by Landlord on or before five (5) days from the date when due including any Returned Payment (each such unpaid amount, an “*Overdue Payment Amount*”), then Tenant shall pay to Landlord, in addition to such Overdue Payment Amount, a “late fee” in the amount of five percent (5%) of the applicable Overdue Payment Amount (not to exceed the maximum late fee permitted by Applicable Law) (each, a “*Late Payment Fee*”) to cover administrative expenses for the late payment. In the event that any such payment is due to a Returned Payment, Tenant shall also pay the Returned Payment Fee in addition to the Late Payment Fee, plus any applicable bank fees. Tenant and Landlord each agrees that the Late Payment Fee is based on a fair and reasonable estimate of uncertain damages and actual expenses incurred by Landlord as a result of Tenant’s failure to pay Rent when due, and that the amount of actual expenses and damages are not susceptible to precise calculation but include Landlord’s costs of communicating with Tenant regarding the late payment, loss of use of funds, and increased accounting and administrative expenses resulting from the late payment of Rent. Landlord’s acceptance of a Late Payment Fee does not waive any of Landlord’s Rights and Remedies. Any Late Payment Fees shall be automatically due and payable and considered Additional Rent.

Timely payment of all sums due under this Lease by Tenant is an independent covenant of each and every other covenant of this Lease. Tenant agrees that it shall not have the right to deduct, withhold or offset any portion of the Rent from any claim it may have against Landlord, in any action by Tenant, except to the extent expressly authorized by Applicable Laws. Regardless of any notation or restrictions on a check or money order, all sums received by Landlord from Tenant shall be applied to the oldest outstanding monetary obligation owed by Tenant to Landlord (except if Applicable Law requires that it be applied in a different order). After the applicable Rent due date, Landlord is not obligated to accept Rent payments, any Overdue Payment Amounts or Rent in less than the full amount due, and Landlord’s refusal to accept such payments (or acceptance of less than the full amount due) shall not constitute a waiver of any of Landlord’s Rights and Remedies, except as may otherwise be required by Applicable Laws. Should Tenant fail to make timely Rent payments under this Lease, Tenant agrees to pay Landlord’s costs and expenses incurred in collecting any such Rent, together with reasonable attorneys’ fees to the extent permitted under Applicable Law. Furthermore, Tenant’s failure to make timely Rent payments shall constitute a default under this Lease and may result in its termination by Landlord. It is understood and agreed that notwithstanding anything contained in this Lease to the contrary, in the event any of Landlord’s rights or remedies contained in this Lease are subject to, inconsistent with or are prohibited by the terms of Applicable Laws, then Landlord’s rights and remedies shall be limited so that they comply with and shall be subject to such Applicable Laws. Likewise, nothing contained herein is intended to limit or interfere with any rights which are expressly granted to Tenant pursuant to Applicable Laws and which are considered by such Applicable Laws to be non-waivable by Tenant. In construing this Lease and the Right to Purchase Agreement, no provisions hereof or thereof shall require the performance or waiver of any obligation or right, as applicable, which would violate Applicable Laws and any such provision shall be interpreted so as to comply therewith. Notwithstanding any provision hereof to the contrary, the terms of this Lease shall be subject to, as limited by, and applicable only to the extent permitted under Applicable Laws.

5. **SECURITY DEPOSIT.** Upon the last to occur of (i) the full execution and delivery of this Lease and the Right to Purchase Agreement and (ii) Landlord’s acquisition of title to the Premises, all or a portion of the Deposit made by Tenant as required by the Document Review Acknowledgment shall automatically convert to and become the Security Deposit required under this Lease; however, (A) if it shall be insufficient to cover the entire required Security Deposit, then Tenant must deposit with Landlord the shortfall within three (3) days after notice from Landlord (but in any event prior to Tenant gaining possession of the Premises) and (B) if it shall exceed the Security Deposit required, the excess shall be credited against the Rent or Pro-Rated Rent then due. It is understood and agreed that prior to the full execution and delivery of this Lease and the RTP Agreement, all funds deposited by Tenant shall be deemed to be the “Deposit” under the Document Review Acknowledgment and not a security deposit or prepaid rent under this Lease, unless Tenant is otherwise notified in writing by Landlord to the contrary.

The Security Deposit shall be held by Landlord as security for the complete performance by Tenant of each covenant and obligation under this Lease, including the timely payment of Rent. The Security Deposit shall not be considered an advance payment of Rent and Tenant is prohibited from applying any portion of the Security Deposit to Rent or other payments owed to Landlord and may not be used to pay the last month’s Rent. The Security Deposit is not a measure of Tenant’s liability for damages. Except and to the extent otherwise required by Applicable Laws, Landlord shall have the right, from time-to-time, without prejudice to any other remedy and without waiving such default, to use all or any portion of the Security Deposit to the extent necessary to cure or attempt to cure, in whole or in part, any default of Tenant under this Lease subject to, and in accordance with, Applicable Laws. Following any such application of the Security Deposit, Tenant shall pay to Landlord, within three (3) days after demand, the amount so applied in order to restore the Security Deposit to its original amount. If Landlord transfers or assigns its interest in the Premises during the Term, Landlord shall assign and transfer the Security Deposit to the transferee or assignee and to the maximum extent permitted by Applicable Laws, Landlord shall thereafter have no further liability for the return of such Security Deposit. Landlord shall deposit the Security Deposit and pay Tenant interest thereon as and to the extent required by Applicable Law.

Tenant Name: Marcus Wendall Durham Avoka A Ross-Durham, Page 5 Jordan M Durham

Tyrique K Durham

Premises Address: 6290 Cracklintown Road, Hughesville, MD 20637  
Lease-RTP-MD: 2020-03



Upon the expiration or earlier termination of this Lease and within the time periods required by and in accordance with Applicable Law, Landlord will (I) notify Tenant of its intention to impose a claim on the Security Deposit and the reasons for imposing such claim (including an itemized accounting of any set-offs or deductions made by Landlord from the Security Deposit) which reasons may include, but shall not be limited to, to the extent permitted by Applicable Laws, the cost of: replacing any missing keys, cleaning the Premises to the extent same was not cleaned in accordance with the terms of this Lease, repairing any damage to the Premises (normal wear and tear excepted), repairing any damage caused by scratches or indentations caused by furniture or other means in wood or resilient floorings within the Premises, cleaning, repairing or replacing more than normal wear and tear on floors and carpeting, repairing, the cost of steam cleaning carpeting, re-painting and performing or taking such other actions as Landlord deems reasonable to eliminate smells of smoke, pets, animals or other odors, restoring or replacing personal property, payment of outstanding Rent obligations pursuant to this Lease, and any other reason permitted by Applicable Law and (II) refund to Tenant the balance of the Security Deposit, if any, together with accrued but unpaid interest remaining after permitted deductions and applications have been made therefrom.

**Pursuant to Section 8-203 et seq. of the Real Property Article of the Annotated Code of Maryland, Tenant is hereby notified of the following rights:**

(a) Tenant shall have the right to have the Premises inspected by Landlord in Tenant's presence for the purpose of making a written list of damages that exist at the commencement of the Term, if Tenant so requests by certified mail within 15 days of Tenant's occupancy.

(b) Tenant shall have the right to be present when Landlord inspects the Premises at the end of the Term in order to determine if any damage was done to the Premises, if Tenant gives Landlord Notice by certified mail, at least 15 days prior to the date of Tenant's intended move, of the Tenant's intention to move, the date of moving, and Tenant's new address.

(c) Landlord shall conduct the inspection within 5 days before or after Tenant's stated date of intended moving.

(d) To the extent required by Applicable Law, Landlord shall give Tenant written notice of the inspection date.

(e) Tenant shall have the right to receive, by first-class mail, delivered to Tenant's last known address within 45 days after termination of the tenancy, a written list of the charges against the Security Deposit claimed by Landlord and the actual costs.

(f) Landlord shall return any unused portion of the Security Deposit, by first-class mail, addressed to Tenant's last known address, within 45 days after termination of the tenancy.

(g) Landlord's failure to comply with the security deposit law, as set forth in Title 8 of the Real Property Article of the Annotated Code of Maryland, may result in Landlord's being liable to Tenant for a penalty of up to three times the Security Deposit withheld, plus reasonable attorney's fees.

(h) Landlord need not notify Tenant of Landlord's intention to withhold all or any part of the Security Deposit, if Tenant has been evicted or ejected for breach of condition or covenant of the Lease before termination of the tenancy, or if Tenant has abandoned the Premises before termination of the tenancy. In that event, Tenant may make demand for return of the Security Deposit by giving Landlord written notice by first class mail within 45 days after being evicted or ejected, or abandoning the Premises. The Notice shall specify Tenant's new address. Within 30 days after receiving that Notice, Landlord shall supply Tenant with a list of damages and costs, by first-class mail.

If there shall be more than one Tenant who executes this Lease, any deductions to be made from the Security Deposit will be joint and several, and Landlord shall not be liable for any understanding that may exist among two (2) or more Tenants as to the portion of the Security Deposit that one Tenant may be entitled to, as opposed to another Tenant. Security Deposit refunds shall be made by one check payable collectively to all Tenants or, at Landlord's election, to any one Tenant, and shall be sent to the forwarding address provided by the Tenant Notice Recipient (otherwise, it shall be mailed to the Premises for forwarding by the postal service)





in accordance with Sections 25 and 39 below, in which event that Tenant shall be responsible for distribution of such refund and the itemization, if any, to the other Tenants.

**6. UTILITIES AND SERVICES.** In addition to Monthly Base Rent, Tenant shall be responsible for obtaining and paying the cost of all utilities and services provided to the Premises during the Term which are identified as Excluded Utilities & Services (collectively, “*Excluded Utilities & Services*”) on *Attachment A* including any related deposits, connection, disconnection, re-connection or other charges or fees charged by such utility or service provider. **Tenant shall transfer and commence utility service for each of the Excluded Utilities & Services into the name of one or more Tenant no later than 72 hours after the Commencement Date**, it being understood and agreed that if it shall fail to do so, then Tenant shall pay Landlord the sum of Fifty Dollars (\$50.00) as an administrative fee for each month or partial month where Tenant shall have failed to do so (and same shall constitute Additional Rent which the parties agree is a fair and reasonable estimate of uncertain damages and actual expenses incurred by Landlord as a result of Tenant’s failure as aforesaid) and subject to Applicable Laws, Landlord shall have the right to cause all such Excluded Utilities & Services to be cancelled or disconnected without notice to Tenant. Landlord shall have the right, but not the obligation, subject to Applicable Laws, to transfer water, sewer and/or garbage/trash removal service into Landlord’s name notwithstanding that they are included within Excluded Utilities & Services (as well as any other Excluded Utilities & Services that Tenant has failed to transfer into Tenant’s name), and bill Tenant for such services to the Premises during the Term as Additional Rent which shall be due and payable with the next Monthly Base Rent payment. Except for amounts billed to Tenant by Landlord, all Excluded Utilities & Services shall be paid by Tenant directly to the service providers. During the Term, Tenant shall not allow Excluded Utilities & Services to be disconnected for any reason including due to Tenant’s failure to pay the same (but excepting only when such failure is due to force majeure beyond Tenant’s reasonable control, or when the applicable system is to be repaired or under repair). Tenant shall pay Landlord, as Additional Rent: (a) the Utility Billing Service Fee along with the Monthly Base Rent for each month where Landlord provides Tenant a bill for reimbursement for any Excluded Utility & Service paid for by Landlord plus (b) the Utility One-Time Fee on or before the date set forth in Section 1.K.

Landlord shall be responsible for payment of the utilities and services which are identified as Included Utilities & Services (collectively, “*Included Utilities & Services*”) on *Attachment A* including any related deposits, charges or fees. Landlord shall not be liable for failure to furnish such Included Utilities & Services when such failure is beyond Landlord’s reasonable control, due to force majeure, or when the applicable system is to be repaired or under repair, subject to Applicable Laws.

**7. PETS/ANIMALS.** No animals or pets (including but not limited to mammals, farm animals, livestock, fowl, vermin, reptiles, birds, rodents, insects, poisonous and venomous creatures as well as fish tanks in excess of twenty (20) gallons [fresh or saltwater]) (for purposes of this Lease, each shall be referred to as a “*Pet*”, whether approved or disallowed under this Lease or the Pet Addendum) are allowed, even temporarily, anywhere on the Premises without Landlord’s prior written consent, which consent may be withheld in Landlord’s sole discretion. As a condition of obtaining Landlord’s consent, Tenant must sign a separate “Pet Addendum” to this Lease (for the addition of each pet after the initial Pet Addendum) which may require the payment of separate pet fees, separate deposits, pet rents and/or other charges (all of which shall be considered and collectable as Additional Rent for all purposes under this Lease) and which may set limits on the number, types and weight of allowable pets.

**8. USE OF PREMISES; COMPLIANCE.** The Premises shall be used and occupied only as a private, single-family dwelling/residence by Tenant and the Household Members identified in Section 1.B and no others except as Tenant may notify Landlord in the case of minors who are under 18 years of age. Tenant shall not allow any other person to use or occupy the Premises for more than 14 days within any one calendar month without Landlord’s prior written consent. No part of the Premises shall be used at any time during the Term by any Occupant for the purpose of carrying on any business, profession, or trade of any kind, or for any purpose other than as a private, single-family dwelling/residence; provided, however, that Tenant shall be entitled to have a home-office provided that customers or clients do not visit the Premises and the same does not violate Applicable Laws or the HOA Rules. Under no circumstances shall the Premises be used for the establishment and/or operation of a medical marijuana, cannabis dispensary, cultivation site and/or infusion shop or kitchen.

Tenant shall ensure that all Occupants comply with all Applicable Laws and HOA Rules as well as any occupancy rules and regulations of Landlord which Landlord may distribute from time to time and failure to comply with same will be considered a default under the terms of this Lease. Tenant shall be responsible for any fees, penalties, charges or payments for violation of any HOA Rules to the extent caused by or on behalf of any Occupant and if Tenant fails to timely pay the same, then Landlord shall have the right to pay them on Tenant’s behalf which payments by Landlord shall be considered Additional Rent to be included with the next Monthly Base Rent payment, it being understood and agreed that Landlord’s obligation to pay HOA dues or fees as part of the Included Utilities & Services shall not include any such payments to the extent due to a violation or alleged violation of HOA Rules by or on behalf of any Occupant.



9. **DISCLOSURE RIGHTS.** If a third party requests information on Tenant or Tenant's rental history, whether for law-enforcement or governmental purposes or otherwise pursuant to an order of any court of competent jurisdiction, Landlord may provide such information as may be permitted by Applicable Law without claim from Tenant.

10. **MOVE-IN CONDITION OF PREMISES.** Tenant confirms that it has physically inspected the Premises and acknowledges that the Premises are in good order and repair and in a safe and clean condition. No representations as to the condition or repair of the Premises have been made by Landlord prior to or at the execution of this Lease that are not contained in this Lease. Tenant will be provided with a Move-In Condition Form ("*Condition Form*") for the Premises on or before the Commencement Date and, **within three (3) Business Days after the Commencement Date, Tenant must sign and return one counterpart of the Condition Form to Landlord's Agent** on which Tenant must note all defects or damage relating to the Premises existing as of the Commencement Date (except to the extent such damage was caused by or on behalf of any Occupant). Tenant acknowledges that any damage to the Premises beyond normal wear and tear which is not so noted on the Condition Form returned by Tenant will be presumed to have been caused by Tenant; therefore, it is important to note any such damage and to timely return the Condition Form. Except for the covenants of Landlord expressly contained in this Lease or other documents executed by Landlord, or as otherwise required or specified by Applicable Laws, Tenant agrees that (a) it is leasing the Premises in its "**AS-IS, WHERE-IS, WITH ALL FAULTS**" condition as of the Effective Date and specifically and expressly without any warranties, representations or guarantees, either express or implied, as to its condition, fitness for any particular purpose, merchantability or any other warranty of any kind, nature, or type whatsoever from or on behalf of Landlord, and (b) except as may be required by Applicable Laws, Landlord has no obligation to perform any work, supply any materials, incur any expense or make any alterations or improvements to any portion of the Premises. Notwithstanding the foregoing, nothing contained in this Lease, any addendum to this Lease, or the RTP Agreement shall constitute, or be construed as, a waiver by Tenant of any statutory or other legal obligation on the part of Landlord to deliver or maintain the Premises as required by Applicable Law, or any limitation on or impairment of Tenant's recourse against Landlord with respect thereto, to the extent same would be a violation of Applicable Law.

*Attachment B* to this Lease entitled "*State and Federal Disclosures*" contains a list, summary and/or copies of certain disclosures provided by Landlord to Tenant prior to execution of this Lease and by its execution of this Lease, Tenant acknowledges receipt thereof.

Landlord shall not discriminate against Tenant in the provision of services or in any other manner on the basis of race, religion, sex, national origin, familial status or disability, nor on the basis of any class protected by Applicable Law.

11. **TENANT SAFETY AND PROPERTY LOSS.** Each Occupant must exercise due care for their safety and security, especially in the use of smoke and carbon monoxide detectors, keyed deadbolt locks, window latches and other safety or security devices. Tenant must promptly notify Landlord in the event any window or door locks are inoperable. Unless Landlord instructs otherwise, during freezing weather conditions, Tenant must keep the Premises heated to at least 50 degrees Fahrenheit. Tenant will be liable for damage to the Premises and others' property if damage is caused due to violation of these requirements including but not limited to, by frozen, leaking or broken water pipes. Tenant shall be responsible for maintaining the Premises (including sidewalks and driveways) reasonably clean and free from dirt, weeds and rubbish, snow and ice (including ice melt or salting when necessary) so that same are in a safe condition. Landlord has the right, but no obligation, to remove any ice, sleet, snow, dirt, weeds and rubbish, and the cost thereof shall be considered and collectable as Additional Rent. Landlord makes no promise or in any way guarantees the safety or security of any Occupant against the criminal actions of other Occupants or third parties, it being understood and agreed that the responsibility of protecting Occupants and their property, family, guests, agents and invitees from acts of crime is solely the responsibility of Tenant and law enforcement agencies. Landlord has not in any way stated or implied to Tenant that the security of any person or property was or is provided or that the Premises and/or surrounding neighborhood has been or will be free of crime.

Except as may be required by Applicable Laws, Landlord shall (a) not be liable to any Occupant or such Occupant's licensees or invitees, for injury, damage, or loss to person or property caused by criminal conduct of other persons, including theft, burglary, assault, vandalism or other crimes, (b) not be obligated to furnish security personnel, security lighting, security gates or fences, alarm systems or other forms of security, and (c) not be responsible for obtaining criminal-history checks on any Occupant. If Tenant or any Occupant is affected by a crime involving damage to person or property or theft in or about the Premises, Tenant must promptly notify Landlord and provide a written report to Landlord and to the appropriate law-enforcement agency and Tenant also must furnish Landlord with the law-enforcement agency's incident report number upon request. **Tenant should dial 911 or immediately call local rescue/emergency, fire, or police personnel in case of accident, fire, smoke, suspected criminal activity, or other emergency involving imminent damage or harm in or about the Premises.**



12. **INSURANCE; LIMITATION OF LIABILITY.** Landlord is not an insurer and does not maintain insurance to cover the personal property, possessions or personal injury of any Occupant. Except to the extent required by Applicable Laws, Landlord shall not be liable for any destruction, damage, loss of personal property, possessions or personal injury to any Occupant (including as may be occasioned by fire, smoke, mold, rain, flood, leaking plumbing, gas or water pipes, water, snow, hail, ice, lightning, wind, explosions, earthquake, interruption of utilities, theft, hurricane or other causes) or for any damage arising from acts, omissions or neglect of Landlord or anyone claiming through Landlord, all of which are expressly waived by Tenant, to the maximum extent waivable under Applicable Law.

Tenant agrees that all damage to personal property and possessions and any personal injury of any Occupant in the Premises shall be at the risk of the owner of such personal property. During the Term, Tenant shall maintain in full force and effect, renter's insurance ("Renter's Insurance") on an occurrence basis which must include (1) general liability coverage in an amount of not less than \$300,000.00 (or such higher amount as may be required by any Addendum now or hereafter made a part of this Lease or, if lower, the maximum amount permitted by Applicable Law) and (2) personal property coverage in an amount that Tenant deems sufficient to cover the repair or replacement costs of any loss to Tenant's personal property located at the Premises. Tenant is required to (a) cause Landlord to be named as an "additional interested party" (or similar status) on the general liability portion of the Renter's Insurance policy, (b) cause the insurer or agent to provide Landlord with written evidence of such insurance prior to taking possession of the Premises (e.g., by delivery of a certificate of insurance) and (c) take all actions necessary for Landlord to be notified by the issuer of the Renter's Insurance if such coverage is terminated or not renewed (i.e., the issuer of such insurance must agree to name Landlord as an additional interested party and provide at least 30 days' prior written notice to Landlord of its intention to cancel or not renew such policy, 10 days for nonpayment). Unless Landlord otherwise indicates in writing, evidence of insurance required to be maintained by Tenant pursuant to this Lease shall be delivered by Tenant to Landlord's Agent at the address indicated in Section 1.C.

Tenant's failure to maintain or provide evidence of the required Renter's Insurance is a default under this Lease and may result in, with or without notice to Tenant and/or Tenant's opportunity to cure (except as otherwise provided by Applicable Laws), Landlord's purchasing insurance up to the amounts specified herein for Renter's Insurance (such insurance being referred to herein as "Replacement Renter Insurance"), in which event (A) the cost of such Replacement Renter Insurance plus an administrative fee in the amount of \$3.00 for each month or partial month during the period during which such Replacement Renter Insurance is applicable (or, if lower, the maximum amount of such administrative fee as is permitted by Applicable Law, it being understood and agreed that such administrative fee is a fair and reasonable estimate of actual expenses incurred by Landlord as a result of having to obtain the Replacement Renter Insurance and that the amount of actual expenses are not susceptible to ready calculation but include Landlord's costs of communicating with Tenant, and increased accounting and administrative expenses resulting from Tenant's failure to provide Landlord with evidence of the required Renter's Insurance) shall constitute Additional Rent payable by Tenant with Tenant's next Monthly Base Rent payment due, (B) Landlord shall not be obligated to include Tenant as an insured on such Replacement Renter Insurance (or if included, Tenant may be a secondary beneficiary under such policy while Landlord is the primary beneficiary thereof), (C) Landlord shall not be obligated to include Tenant's personal belongings in the coverage of such Replacement Renter Insurance, and (D) Landlord shall have no liability for failure to obtain any Replacement Renter Insurance or for the failure of such insurance to cover Tenant's belongings. **Any Replacement Renter Insurance policy obtained by Landlord shall terminate contemporaneously with the expiration or termination of this Lease.** At least fifteen (15) days prior to the cancellation or expiration of each policy of Renter's Insurance, Tenant shall provide Landlord with written evidence of renewal thereof and payment of the premium therefor. Any Renter's Insurance maintained (or required to be maintained) by Tenant hereunder shall be primary to any insurance carried independently by Landlord, and Tenant agrees to look solely to, and seek recovery only from, Tenant's insurance carriers in the event of a loss. To the maximum extent allowed under Applicable Laws, Tenant hereby waives and releases every right and claim against Landlord Indemnitees and their respective insurance companies for any and all losses or damages to the Premises, the contents thereof or injury or death to any person, except to the extent such loss, damage or injury is due to Landlord's gross negligence; provided, however, nothing contained in this Lease shall require indemnification or a release of Landlord to the extent same is prohibited by Applicable Law.

13. **SUBLET; ASSIGNMENT.** Tenant shall not (a) assign this Lease (in whole or in part), (b) sublet or grant any license to use the Premises (in whole or in part), nor (c) permit the transfer of any interest in the Premises acquired through this Lease. Any assignment, subletting or license in violation of this Section shall be null and void and shall, at Landlord's option, be a default under this Lease for which Landlord may terminate the same. Subject to Applicable Laws, Landlord shall have the absolute right to transfer and/or assign, in whole or in part, all of its rights and obligations under this Lease and in the Premises whereupon (i) Landlord shall be released from any further obligations under this Lease and (ii) Tenant shall look solely to such successor in interest of Landlord for the performance of such obligations, subject to Landlord's transfer of the remaining Security Deposit in accordance with Section

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham

Premises Address: 6290 Cracklinatown Road, Hughesville, MD 20637  
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5. The Premises shall not be used or occupied as a hotel or for any other transient use, rented for any short-term basis, nor advertised or listed for rental on sites such as Airbnb, VRBO, Craigslist or the like.

14. **ALTERATIONS AND IMPROVEMENTS.** Tenant will use customary diligence in maintaining the Premises and will not make or permit any alterations or improvements to any part of the Premises (including painting, wall papering and other decorating or installation of any appliances or other equipment of any kind [except those that only need to merely be plugged into an outlet]), nor allow any signs or placards posted or placed thereon, without the prior written consent of Landlord, which consent may be withheld in Landlord's reasonable discretion. Landlord will permit Tenant to install a satellite dish, antennas or cables for personal, private use on the Premises only if Tenant so requests in advance of any installation and enters into a separate Satellite Dish and Antenna Addendum in such form as Landlord may reasonably require governing such installation and use. Any such installation must be performed in a professional manner and in conformity with any applicable HOA Rules. In no event shall any such work or equipment penetrate the roof of the Premises nor do anything which could void any warranties on any portion of the Premises.

Tenant shall not alter, damage, disable or remove any part of the Premises or property therefrom including alarm systems, telephone and internet/television cables or wiring, screens, locks, security devices or fire extinguishers. Any alterations or improvements that are made to the Premises (whether made by Tenant or Landlord) will become the property of Landlord and will remain upon termination of this Lease. Should Landlord give its prior written consent to any alterations or improvements, Tenant shall promptly pay for same in full and shall obtain lien waivers from all third party vendors as Landlord may require. Tenant shall not create or permit to be created any mechanic, contractor, materialman or other liens or security interests against the Premises. Tenant shall be responsible for all costs and expenses incurred by Landlord for repair or restoration as a result of any alterations or improvements made by or on behalf of Tenant to the Premises (whether approved or unapproved by Landlord, however, if the same were not approved by Landlord, Landlord shall have the right to restore the Premises to the condition existing on the Commencement Date and the cost of such restoration shall be borne by Tenant), including all attorneys' fees and costs incurred to remove any liens from the Premises, all of which shall be considered Additional Rent.

15. **KEYS; LOCKS; DAMAGE CHARGE LIST.** Locks to the Premises have been changed or re-keyed or the access code changed prior to the Commencement Date. Tenant will be provided two (2) copies of keys for each lock on the Premises and one (1) access device for remote garage access (if applicable) on the Premises and Tenant shall pay for any other keys, access device, or locks replaced by Landlord. No additional alarm systems, lock changes, additions or re-keying is permitted unless allowed by Applicable Laws or Landlord has given prior written consent thereto. Tenant shall not remove any locks from the Premises, even if installed by Tenant. The cost of Landlord or its agent opening or re-keying the Premises if Tenant is locked out or loses keys and requires or requests access to the Premises or re-keying to the Premises shall be borne by Tenant as Additional Rent.

16. **MAINTENANCE AND REPAIR.** Subject to the terms of this Section, Sections 8 and 17 hereof, Landlord shall use reasonable efforts to maintain, at its cost (but subject to the terms of the Right to Purchase Agreement): (1) the foundations, roof, exterior walls, structural members and mechanical systems (including HVAC systems, hot water heater, electrical and plumbing systems and sump pump, if any) of the residence located at the Premises, in habitable condition, together with (2) any items which are required by Applicable Laws to be maintained by Landlord. Landlord shall not be required to repaint, re-carpet or re-finish the floors of the Premises either prior to or during the Term (unless same is included within "Landlord Work," in the Renovation Addendum For Landlord Work) nor to repair conditions caused by any Occupants. Any appliances contained in the Premises are provided for the Tenant's convenience and except as required by Applicable Law, Landlord does not warrant the fitness or uninterrupted use or enjoyment of such appliances by Tenant and Landlord shall not be liable for any damages caused by such appliances' failure nor for their repair or replacement except Landlord shall exercise reasonable efforts to cause the following appliances to be in working order throughout the Term (except if such failure is caused by an Occupant), to the extent same were provided by Landlord as of the Commencement Date: refrigerator, dishwasher, oven and stove. Landlord shall not be responsible for any appliances owned by Tenant. To the extent permitted by Applicable Law, any interruption of Tenant's use and enjoyment of appliances shall not constitute "constructive eviction," nor form the basis for any defense, set-off or counter-claim by Tenant. Tenant shall be responsible for the maintenance, repair and replacement of all appliances owned by Tenant and for all damage caused by them, including if Tenant fails to remove any appliances from the Premises on or before the last day of the Term. Nothing set forth herein is intended to abrogate or waive any obligations of Landlord required by Applicable Laws to repair conditions at the Premises.

**Tenant shall, at Tenant's expense, maintain the Premises (including all appliances, systems and fixtures located thereon but excluding only those items which are required to be maintained by Landlord) and keep same in a clean, safe and healthy condition and in good working order, at all times during the Term, and shall suffer no waste therein, and shall be responsible for payment of the cost of (a) all repairs, maintenance or replacement required to the Premises, including the walls, windows, storms doors/windows and screens, ceilings, paint, plastering, plumbing work, pipes, appliances and fixtures belonging to the Premises,**





**whenever such damage or injury to the same shall have resulted from misuse, waste or neglect by any Occupant, and (b) any and all repairs, maintenance or replacement required to the Premises that shall be necessary to restore the Premises to the same condition as when Tenant took possession of the Premises (including any work performed by Landlord thereafter), normal wear and tear excepted. Landlord shall have the right to cause such repairs, maintenance or replacements described in this Section 16 to be made and to recover all costs and expenses relating thereto from Tenant as Additional Rent and shall be due and payable with the next Monthly Base Rent payment after receipt of notification from Landlord of the costs thereof. Unless otherwise permitted by Applicable Laws, Tenant shall not, without the prior written consent of Landlord, have the right to make repairs to the Premises and set them off or deduct them against Rent due or otherwise withhold Rent (including Monthly Base Rent or Additional Rent). **The amount of Rent was agreed upon based on the express understanding that Tenant will be responsible for the maintenance needs of the Premises as provided in this Lease and in the absence of Tenant's agreement to maintain the Premises at its cost in accordance with the terms of this Lease, Landlord would have charged a higher rent amount.****

Tenant shall maintain the irrigation system, if any, garden, landscaping, trees and shrubs located at the Premises and provide regular and routine landscape care. Tenant agrees to water, on a regular and routine basis, the lawn and landscaping at the Premises but shall observe all Applicable Laws and HOA Rules pertaining thereto, such as times watering is permitted. Tenant shall be responsible for complying with any water restrictions and shall be liable for any fines resulting from violations of water restrictions.

Tenant shall be charged an amount equal to \$75.00 (or such higher amount as may be charged for no-shows by the service provider) ("No-Show Fee") any time that Landlord shall have the right or shall be obligated to perform work or inspections or Landlord's Agents are entitled to show the Premises to the extent Landlord or Landlord's Agent has (A) scheduled an appointment with Tenant and (B) Tenant was not at the Premises at the scheduled time of the appointment or Tenant has repeatedly refused to schedule an appointment. Additionally, Landlord reserves the right to charge Tenant a fee for each service call ("Service Call Fee") resulting from Tenant's maintenance or repair request regarding the Premises (in addition to any other charges which Tenant may be responsible in connection with such service call); provided, however, (x) no Service Call Fee shall exceed the sum of \$35.00 and (y) Service Call Fees shall be waived if the service call relates solely to an item that Landlord is required to maintain pursuant to the first grammatical paragraph of this Section 16. No-Show Fees and Service Call Fees shall constitute and be collectable as Additional Rent.

Tenant shall, at Tenant's expense: (aa) take all such actions as are reasonably necessary to promptly eliminate any dangerous condition on the Premises, (bb) not keep on the Premises any item of a dangerous, flammable or explosive character that might unreasonably increase the danger of fire or explosion on the Premises or that might be considered hazardous or toxic, such as kerosene or fuel oil heaters which are expressly prohibited, (cc) know the location and operation of the main water cut-off valve and all electric breakers and how to switch the valve or breakers off at appropriate times to mitigate any potential damage, (dd) keep the Premises and exterior in a neat and sanitary condition and in compliance with all applicable health and safety regulations, Applicable Laws and HOA Rules, (ee) supply and immediately replace at Tenant's cost: (1) all light bulbs, fluorescent tubes, and batteries for smoke detectors and carbon monoxide detectors, garage door openers, ceiling fan remotes and (2) air conditioning/furnace filters at least once every three (3) calendar months, (ff) inspect and maintain in compliance with the information tag thereon, all Landlord-supplied fire extinguishers, if any, it being understood and agreed that any fire extinguishers supplied are without charge for convenience of Tenant only and no warranty is made as to their sufficiency for the Premises, and (gg) use reasonable efforts (including providing appropriate climate control) to maintain the Premises in such a condition as to prevent the accumulation of moisture and the growth of mold or mildew in the Premises and remove any standing water from the Premises. No waterbeds or other liquid-filled furniture are permitted inside the Premises.

Applicable Laws may require that the Premises be equipped with carbon monoxide or smoke detectors and/or other detectors in certain locations. Requests from Tenant for additional installation, inspection or repair of any detectors provided by Landlord must be in writing and delivered to Landlord. Disconnecting, relocating, damaging or disturbing a carbon monoxide, smoke or other detector or removing a battery without immediately replacing it with a working battery are expressly prohibited by this Lease and may subject Tenant to civil penalties and liability for damages and attorneys' fees. Tenant agrees that Tenant shall check the operation of each detector at least monthly, change each battery, at Tenant's cost, at least once every six (6) months and immediately notify Landlord if it becomes aware that the detectors cease working at any time.

**17. DAMAGE TO PREMISES.** Tenant must promptly reimburse Landlord for all loss, damage, government or HOA fines, and cost/expenses of repairs or service to the extent caused by an Occupant or resulting from a violation of Tenant's obligations under this Lease (including damages resulting from Tenant's failure to maintain utilities or services resulting in damage to the Premises such as from frozen pipes). Except to the extent expressly provided by Applicable Laws, Tenant shall provide Landlord with immediate notice of any fire or other casualty that occurs and causes damage to the Premises.



To the extent permitted by Applicable Laws, if (a) the Premises is destroyed or rendered wholly or partially uninhabitable by fire, storm, earthquake or other casualty, or (b) Landlord reasonably believes that such damage to the Premises is catastrophic or substantial (for example, if water enters the Premises in significant amounts), or (c) performance of needed repairs to the Premises would pose a danger to the Occupants, then Landlord shall notify Tenant within thirty (30) days after Landlord becomes aware of such casualty whether Landlord has elected to repair the Premises or terminate this Lease (including the effective date of such termination). If the Premises are not habitable and repairing the Premises would be expected to take more than thirty (30) days from the date of such casualty, then Tenant shall have the right to terminate this Lease upon written notice given to Landlord within ten (10) days after such casualty. The Term shall expire upon receipt of a termination notice from the other party given pursuant to this Section (or the termination date set forth in such notice if from Landlord), Landlord shall have the right to remove Tenant's personal property and belongings from the Premises if Landlord believes they would cause a health or safety hazard (including the creation of mold in the event of water infiltration) and Landlord shall refund any prepaid Rent (on a pro-rata basis) accruing from and after the date of such termination of this Lease. Tenant shall be responsible for all costs and expenses incurred by Landlord to repair or restore the Premises to the condition it was in immediately prior to the fire or other casualty to the extent the damage was caused by any Occupant. Landlord shall not be obligated to repair or restore the Premises if insurance proceeds are insufficient to complete same.

**18. REQUESTS, REPAIRS, MALFUNCTIONS.** All notices and requests (e.g., for repairs, installations, services or security related matters) from Tenant must be in writing (except in the case of emergencies). **IN CASE OF EMERGENCIES SUCH AS FIRE, SMOKE, GAS, EXPLOSION, OVERFLOWING SEWAGE, UNCONTROLLABLE RUNNING WATER, WATER LEAKS, ELECTRICAL SHORTS OR CRIME IN PROGRESS OR OTHER EMERGENCY SITUATION, TENANT MUST PROMPTLY NOTIFY LANDLORD AND LANDLORD'S AGENTS BY TELEPHONE OR ELECTRONIC MAIL IN ADDITION TO THE FOREGOING FORMAL NOTICE REQUIREMENT.** Landlord's written notes or responses to Tenant's verbal requests do not constitute a written request from Tenant and do not waive the strict requirement for written notices under this Lease. Tenant must promptly notify Landlord of any conditions that pose a hazard to the Premises, personal property, health, or safety of the Tenant or any Occupants, including but not limited to electrical problems, malfunctioning lights, broken or missing locks or latches. Air conditioning problems are not emergencies; however, if air conditioning or other equipment malfunctions, Tenant must notify Landlord as soon as possible. Landlord may change or install utility lines or equipment serving the Premises if the work is done without unreasonably and substantially increasing Tenant's utility costs, to the extent permitted by Applicable Laws. Landlord may turn off equipment and interrupt utilities as needed to avoid property damage or to perform work. If utilities malfunction or are damaged by fire, water, or similar cause, Tenant must notify Landlord immediately. Landlord will act with reasonable diligence to make repairs and reconnections, taking into consideration when casualty insurance proceeds are received. Rent will not abate in whole or in part except to the extent required under Applicable Laws.

**19. LANDLORD'S RIGHT OF ENTRY AND ACCESS.** Except to the extent prohibited by Applicable Law, Landlord and Landlord's Agents shall have the right (but not the obligation) to enter the interior and exterior of the Premises at all reasonable times with reasonable notice (which notice shall be at least twenty-four (24) hours in advance of the intended entry unless Tenant otherwise agrees to a shorter notice period), and at all times in the event of an emergency, in order to inspect, make necessary or agreed repairs, decorations, alterations or improvements, supply necessary or agreed services, test smoke and other detectors, or exhibit the Premises to prospective or actual purchasers, mortgagees, tenants, workmen or contractors, or enforce the provisions of this Lease. Tenant shall not unreasonably withhold consent (to the extent such consent is required by Applicable Law) to Landlord's entering the Premises at a specified time where the Landlord has given the advance notice, if any, specified above or required by Applicable Law of intent to enter. Tenant will allow Landlord to have prominently placed upon the Premises, at all times, "For Rent/Lease/Sale" notices or similarly worded notices and will not interfere therewith, it being understood and agreed that Landlord shall not post such signs unless Tenant is in default under this Lease or during the two (2) months prior to the scheduled Expiration Date if Tenant shall have provided notice of its intention not to renew this Lease or if there shall be no remaining Renewal Term.

Landlord's Agents are authorized to place and use a keysafe/lockbox ("*Keybox*") on the Premises containing a key to the Premises which is opened by a special combination, key or programmed access device so that persons with the access device may, in Tenant's absence, access the interior of the home from time to time in order to show it to prospective residents or purchasers during the last two (2) months prior to the then-scheduled Expiration Date. Tenant shall have the right to withdraw Tenant's authorization to use a Keybox by providing written notice to Landlord in which event Landlord will remove the Keybox within a reasonable period of time. Landlord's removal of the Keybox does not alleviate Tenant's obligation to make the Premises available for showings and inspections pursuant to this Lease. If Landlord's Agent has given Tenant the requisite notice of their intent to access the Premises in order to show it to prospective residents or purchasers and are denied or are not able to access the Premises because either of Tenant's failure to make it accessible or is absent after having scheduled a time for a showing, then as consideration for the withdrawal of the Keybox, Landlord shall have the right to charge Tenant the No-Show Fee for each time that Landlord or Landlord's

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Page 12 Jordan M Durham

Tyrique K Durham

Premises Address: 6290 Cracklinatown Road, Huhesville, MD 20637  
Lease-RTP-MD: 2020-03



Agent shall have the right to show the Premises pursuant to this Section and Tenant has either (A) refused to schedule an appointment for at the time requested for such showing or (B) Tenant was not at the Premises at the scheduled appointment time. The Keybox is a convenience but involves risk (such as unauthorized entry, theft, property damage, or personal injury) and Landlord and Landlord's Agents are not responsible to any Occupants for any damages, injuries, or losses arising from use of the Keybox. Tenant acknowledges that Landlord has advised Tenant of the need for safeguarding and insuring Tenant's personal property and valuables located on the Premises. During any inspection of the Premises, Tenant hereby authorizes Landlord and Landlord's Agents to take videos or photographs or other images of the interior and exterior of the Premises and to use same in any advertisements to lease or sell the Premises as well as to document the condition of the Premises.

**20. SUBORDINATION; ATTORNMENT; ESTOPPEL CERTIFICATES.** This Lease and Tenant's interest hereunder are and shall be subject to and subordinate, junior and inferior to (a) any and all mortgages, deeds of trust, deeds to secure debt, security devices, liens or encumbrances now or hereafter placed on or against any part of the Premises and any and all renewals, extensions or modifications thereof ("Liens") and to any and all advances now or hereafter made under any such Liens (including future advances) and the interest payable on such Liens, (b) any restrictive covenants affecting the Premises, (c) the rights of any HOA affecting the Premises (including any HOA Rules), and (d) any existing or future deeds placed on the Premises. Upon Landlord's request, Tenant will execute such instruments evidencing such subordination at Landlord's request and shall recognize and attorn to any successor to Landlord's interest in this Lease (including a mortgagee or other person acquiring Landlord's interest by way of foreclosure, deed in lieu of foreclosure or other proceedings) as "Landlord" hereunder. Tenant shall within ten (10) days after receiving a request from Landlord, provide a certificate signed by Tenant stating whether or not all conditions under this Lease to be performed by Landlord prior the date of such certificate have been satisfied and whether or not Landlord is then in default in the performance of any covenant, agreement or condition contained in this Lease and specifying, if any, each such unsatisfied condition and each such default. Landlord and anyone identified in such estoppel shall have the right to rely upon the information provided by Tenant therein.

Upon the first day of each Renewal Term, each person constituting Tenant shall be deemed to have acknowledged and agreed that as of such date: (i) Tenant has no claims arising under this Lease against Landlord or Landlord's Agents, (ii) to the best of his/her knowledge, Tenant is not aware of any default or failure on the part of Landlord to keep or perform any covenant, condition or undertaking to be kept or performed by Landlord under this Lease, and (iii) the Premises is in good working order and repair.

**21. TIME IS OF THE ESSENCE.** Tenant agrees that time is of the essence for any and all payments, charges, costs and expenses required to be paid by Tenant and the performance of each and every covenant, term, agreement and condition hereunder including but not limited to the giving of notices, and Tenant shall be held in strict compliance with the same.

**22. TENANT'S HOLDOVER.** Except as set forth in Section 3, if Tenant continues to occupy any portion of the Premises after the expiration or other termination of this Lease or the termination of Tenant's right of possession, then such occupancy shall be that of a tenancy at sufferance. Tenant shall, throughout the entire holdover period, be subject to all the terms and provisions of this Lease (excluding all Tenant rights, if any, to extend the Term) and, subject to Applicable Law, shall pay for its use and occupancy of the Premises an amount (on a per month basis without reduction for any partial months during any such holdover) equal to one hundred fifty percent (150%) of the Monthly Base Rent for the then-existing Term beyond which Tenant retained possession plus applicable Additional Rent and any other damages suffered by Landlord as a result of the holdover including the loss of prospective income and/or claims for damages asserted by a successor tenant or purchaser. No holding over by Tenant or payments of money by Tenant to Landlord after the expiration of the Term shall be construed to extend the Term, as a waiver of the Landlord's rights or remedies and/or prevent Landlord from recovery of immediate possession of the Premises by summary proceedings or otherwise and Landlord shall be entitled to exercise any of Landlord's Rights and Remedies and recover from Tenant all damages sustained as a result of Tenant's failure to vacate the Premises, including direct and consequential damages, lost rent, court costs and reasonable attorneys' fees, to the extent permitted or provided for by Applicable Laws.

**23. RELEASE; INDEMNIFICATION; LIMITATION OF LIABILITY.** There are some limitations on Tenant's ability to bring an action against Landlord which are described in this Section. Some of these limitations are, however, subject to Applicable Laws. Tenant, on behalf of all Occupants (and their respective personal representatives, heirs, executors, administrators, agents and permitted assigns), agrees that, to the greatest extent permitted by Applicable Laws: (a) Landlord Indemnitees shall not be liable for any injury or harm to any person or property caused by a defective condition of the Premises and (b) all Occupants release and discharge the Landlord Indemnitees from any and all suits, actions, causes of action, damages, demands, claims, liabilities, judgments, fines, penalties and costs, and fees and expenses including, without limitation, reasonable attorneys' fees and costs of enforcement for the subject matter therein, whether known or unknown (collectively, "Claims") arising out of Occupants'



use of, or acts or omissions in or about the Premises, or this Lease, except to the extent such Claims are due to gross negligence on the part of Landlord.

**TENANT ACKNOWLEDGES THAT, TO THE MAXIMUM EXTENT ALLOWED UNDER APPLICABLE LAWS: (i) TENANT HAS CAREFULLY READ THIS WAIVER AND RELEASE AND FULLY UNDERSTANDS THAT IT IS A RELEASE OF LIABILITY, and (ii) ON BEHALF OF ALL OCCUPANTS, TENANT IS RELEASING THE LANDLORD INDEMNITEES FROM, AND WAIVING ANY RIGHTS WHICH SUCH OCCUPANTS MAY HAVE, TO BRING OR ASSERT A CLAIM OR ACTION AGAINST THE LANDLORD INDEMNITEES, WITH RESPECT TO ANY CLAIMS AGAINST ANY LANDLORD INDEMNITEES, THE PREMISES OR THIS LEASE, EXCEPT TO THE EXTENT SUCH CLAIMS ARE DUE TO LANDLORD'S GROSS NEGLIGENCE.**

To the extent permitted by Applicable Laws, Tenant shall indemnify, protect, defend and hold Landlord Indemnitees harmless from any and all Claims associated with any injury or harm to any person or property occurring on or about the Premises including but not limited to any breach by Tenant of this Lease and/or any damage or liability caused by any Occupant during the Lease Term, except to the extent that the injury or harm is caused by gross negligence on the part of Landlord; provided, however, nothing contained in this Lease shall require indemnification prohibited by Applicable Law.

Any liability of Landlord under this Lease shall be limited solely to its interest in the Premises or the proceeds therefrom and in no event shall any individual or personal liability be asserted against Landlord or any Landlord Indemnitees in connection with this Lease or the Premises nor shall any recourse be had to any other property or assets of any Landlord Indemnitees. In no event shall Landlord be liable for consequential or punitive damages as a result of a breach or default under or otherwise in connection with this Lease. None of Landlord's Agents shall be personally liable for any of Landlord's contractual, statutory, or other obligations merely by virtue of acting on Landlord's behalf. All provisions contained in this Lease regarding Landlord's non-liability and non-duty apply to Landlord's Agents.

**24. DEFAULT.** If (a) Tenant fails to comply with any of the provisions of this Lease (including but not limited to the failure to timely pay Rent or perform any other obligations under this Lease) and fails to cure such default within any applicable notice or cure periods contained in this Lease or under Applicable Laws, (b) the Right to Purchase Agreement is terminated due to a default on the part of the Purchase Right Holder, or (c) the Executed Purchase Contract is terminated due to a default on the part of the purchaser thereunder, then such default shall constitute a default under this Lease and Landlord shall have the right, at any time thereafter, at its election, without limiting Landlord's Rights and Remedies, to do any one or more of the following in accordance with Applicable Laws: (i) terminate this Lease (in which event notice of termination shall operate as a notice to quit, and Landlord may proceed to recover possession of the Premises under Applicable Law), (ii) terminate Tenant's right of possession of the Premises (including that of any Occupants), (iii) terminate the Right to Purchase Agreement and/or Executed Purchase Contract, if applicable, (iv) exercise any of Landlord's Rights and Remedies, and/or (v) re-enter the Premises or any part thereof, with or without (to the extent permitted by Applicable Laws) notice or process of law, regain possession thereof, and remove Tenant and any Occupants therefrom. To the extent not prohibited by Applicable Laws, upon any default by Tenant, all Rent for the remainder of the Term will be accelerated and will be immediately due and payable together with such expenses as Landlord may incur including, but not limited to, attorney's fees, court costs and constable fees, brokerage fees and costs of putting the Premises in good order and/or preparing the Premises for re-rental, in addition to all other costs, expenses, and damages available to Landlord under this Lease or Applicable Laws. Tenant's right of possession may be terminated without terminating Tenant's liability to pay Rent.

**25. MULTIPLE TENANTS.** Each person constituting Tenant (should there be more than one) is and shall be jointly and severally liable for all obligations of Tenant under this Lease. If there is a violation of this Lease by any one Occupant, then all persons constituting Tenant will be considered to have violated this Lease. Each person constituting Tenant irrevocably acknowledges and agrees that Landlord's requests and notices required or permitted to be sent pursuant to the terms of this Lease shall be sent to the Tenant Notice Recipient at the Premises and such notice shall conclusively constitute notice to all persons constituting Tenant and Occupant. Notices and requests from any Tenant to Landlord (including notices of Lease termination, repair requests, and entry permissions) shall constitute notice from all persons constituting Tenant. Tenant shall have the right to change the person identified as the Tenant Notice Recipient pursuant to a notice to Landlord signed by all of the Tenants identifying such new Tenant Notice Recipient. Tenant shall cause the Tenant Notice Recipient to be the same person who is identified as the Purchase Right Holder Notice Recipient under the Right to Purchase Agreement.

**26. SURRENDER; ABANDONMENT; RIGHT TO RE-LET.** If at any time during the Term, Tenant surrenders, abandons or vacates the Premises (or any material part thereof), Landlord shall have the right, at its option, to re-enter and obtain possession of the Premises in accordance with Applicable Laws and without becoming liable to Tenant for damages or for any





payment of any kind whatsoever. Tenant shall give Landlord notice of any anticipated extended absence from the Premises of more than fourteen (14) days. If Tenant is absent from the Premises for three (3) consecutive weeks without notifying Landlord in writing of Tenant's absence, Landlord may deem the Premises abandoned unless there is no outstanding default in the payment of Rent. Landlord may, at its discretion, on behalf of Tenant, re-let the Premises for such rent and on such other terms and conditions as Landlord may see fit, including re-letting Premises, for the whole or any part of the then unexpired Term. Landlord shall have the right to receive and collect all rent payable by virtue of such re-letting and, at Landlord's option, hold Tenant liable for any difference between: (i) the Rent that would have been payable under this Lease during the balance of the unexpired Term as if this Lease had continued in force, and (ii) the net rent for such period realized by Landlord by means of such re-letting. If Landlord's right of re-entry is exercised following abandonment, surrender or vacation of the Premises by Tenant or at any time after the Term has expired or been terminated, then Landlord shall have the right to consider any personal property left on the Premises to also have been abandoned and title thereto shall automatically transfer to Landlord without the necessity of a bill of sale and Landlord may, at its election, dispose of such personal property in any manner allowed by Applicable Law which Landlord, in its sole discretion, determines is appropriate, including, without limitation: (a) disposing of such personal property in the trash or a landfill; (b) giving such personal property to a charitable organization; and/or (c) storing and selling such personal property, and Tenant shall be liable for reimbursing Landlord for all of Landlord's reasonable costs for packing, removing, storing and/or selling the personal property left in the Premises after surrender or abandonment to the extent permitted by Applicable Law. Tenant agrees that the value of any personal property left in the Premises after Tenant's move-out has a value of \$0. Surrender, abandonment, or judicial eviction shall end Tenant's right of possession for all purposes under this Lease and shall give Landlord the immediate right, in accordance with Applicable Laws, to: clean up, make repairs in, and re-let the Premises; determine any Security Deposit set-offs or deductions; remove abandoned property left on the Premises; and/or exercise any other of Landlord's Rights and Remedies.

27. **EMINENT DOMAIN.** If any portion of the Premises is condemned or expropriated by any governmental authority or title thereto is conveyed in lieu of condemnation ("*Eminent Domain*") in a manner that would prevent lawful occupancy of the remainder of the Premises, then this Lease shall be terminated effective as of the date of such taking, in which event Rent and other charges shall be prorated based upon such termination date and Landlord shall refund to Tenant any Rent or other charges paid in advance. Unless this Lease is so terminated, Rent shall not abate. Landlord shall not be liable to Tenant for any damages, payments, amounts or compensation due or payable to Landlord as a result of Eminent Domain and Landlord shall be entitled to (and Tenant hereby assigns to Landlord) the entire award or compensation and any portion of any compensation awarded for the diminution in value of the leasehold interest or fee of the Premises.

28. **CLEANING PRIOR TO MOVE-OUT.** Tenant shall surrender the Premises to Landlord on the last day of the Term or any earlier termination of this Lease as provided herein, as clean as and otherwise in the same condition as when Tenant took possession of the Premises, normal wear and tear excepted. Prior to the last day of the Term, Tenant must thoroughly clean the entire Premises, all personal property and furniture belonging to Tenant must be removed and all debris removed and placed in appropriate garbage containers. Tenant must follow any move-out cleaning instructions if provided. If Tenant does not clean adequately, as determined in the reasonable discretion of Landlord, Tenant will be liable for reasonable cleaning charges.

29. **MOVE-OUT INSPECTION.** Tenant shall give Landlord prior notice of the date on which Tenant is moving out of the Premises, if prior to the last day of the Term (it being understood and agreed that such move-out notice will not release Tenant from liability for the remainder of the Term). Tenant shall have the right to be present when Landlord inspects the Premises at the end of the Term in order to determine if any damage was done to the Premises provided that Tenant has given Landlord Notice in accordance with Section 5(b) of this Lease. Landlord's Agent will conduct a move-out inspection of the Premises upon expiration of the Term, it being understood and agreed that Landlord's Agent has no authority to bind or limit Landlord regarding set-offs or deductions for repairs, damages, or charges for items discussed during any move-out inspection, and any statements or estimates made by Landlord's Agent during or after any inspection are subject to correction, modification, or disapproval before Tenant is provided with final refunding or accounting. Landlord encourages Tenant to take pictures of the interior and exterior of Premises at the move-out inspection to document the condition of the Premises.

30. **ATTORNEYS' FEES.** To the extent permitted by Applicable Laws, if at any time after the Effective Date, either Landlord or Tenant institutes any action or proceeding against the other relating to the provisions of this Lease, the Right to Purchase Agreement or any other document entered into among the parties hereto pertaining to the Premises, or any default under any of them or the Premises (whether founded in tort, contract, equity or to secure a declaration of rights thereunder), the party not prevailing in the action or proceeding or appeal therefrom will reimburse the prevailing party for its reasonable attorneys' fees (not to exceed the sum of \$2,000.00 in the aggregate for any such action which amount shall be inclusive of (a) fees incurred at trial or arbitration, any appeal therefrom, or in connection with any bankruptcy proceedings, and (b) all costs and expenses incurred in connection with such action, proceeding, appeal or in collection of any judgment including expert fees, any post-judgment fees and costs). Such fees and



costs may be awarded in the same suit or recovered in a separate suit, whether or not such action or proceeding is pursued to decision. The term "prevailing party" shall include, without limitation, a party who substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other party of its claim or defense.

31. **RENT AFTER NOTICE OR SUIT.** After giving notice to vacate to Tenant, the service of notice or commencement of a suit (including eviction), or after final judgment for possession of the Premises, Landlord shall have the right to receive, accept and collect any Rent or other sums due, and the payment of such shall not waive or affect said notice, filing or judgment or diminish Landlord's Rights and Remedies, including right of eviction, or any other contractual or statutory right, as allowed by Applicable Laws. Accepting money at any time does not waive Landlord's right to damages, or past or future Rent or other sums nor shall it be or be construed to be, a waiver of any breach of any term or provision of this Lease, or any rule, regulation, term or provision contained in any document referred to in this Lease, nor shall it reinstate, continue or extend the Term of this Lease or affect any notice, demand or suit hereunder.

32. **RECORDING.** Tenant shall not record this Lease nor any memorandum hereof in the public records of any public office. In the event that Tenant shall violate such no-recording prohibition, Landlord shall have the right to immediately terminate this Lease and to unilaterally record a termination notice in such public records.

33. **GOVERNING LAW; APPLICABLE LAWS.** This Lease shall be governed, construed and interpreted by, through and in accordance with Maryland law, without reference to its conflict of law provisions. The parties agree that any suit or proceeding arising under this Lease shall be brought solely in a federal or state court serving the county in which the Premises is located. Each party consents to the jurisdiction of these courts and waives any objection to jurisdiction or venue. **Notwithstanding anything contained in this Lease to the contrary, in the event any of Landlord's rights, obligations or remedies contained in this Lease are subject to, inconsistent with or are prohibited by the terms of Applicable Laws, then each such provision shall automatically be deemed to have been modified and limited so that it complies with such Applicable Laws** (for example, if Applicable Law requires that Landlord perform an obligation within 3 days but the Lease states that it will be performed promptly, the 3-day period of time shall govern). Likewise, nothing contained herein is intended to limit or interfere with any rights which are expressly granted to Tenant pursuant to Applicable Laws and which are considered by such Applicable Laws to be non-waivable by Tenant. In construing this Lease and the Right to Purchase Agreement, no provision hereof or thereof shall require the performance or waiver by Tenant of any applicable obligation or right that would violate Applicable Laws and any such provision shall be interpreted so as to comply therewith.

34. **SEVERABILITY.** If any clause, phrase, provision or portion of this Lease or the application thereof, including without limitation, to any person or circumstance, shall, for any reason and to any extent, be invalid or unenforceable under Applicable Laws, such event shall not affect, impair or render invalid or unenforceable, the remainder of this Lease nor any other clause, phrase, provision or portion hereof, nor shall it affect the application of any clause, phrase, provision or portion hereof to other persons or circumstances, but instead the remainder shall remain in full force and effect as though any invalid or unenforceable part was not written into this Lease and shall be enforced to the maximum extent permitted by Applicable Laws. The omission of initials on any page shall not invalidate this Lease.

35. **SURVIVAL.** Notwithstanding anything contained in this Lease to the contrary, all of Landlord's rights and Tenant's outstanding payment obligations shall survive the expiration or earlier termination of this Lease, whether by lapse of time or otherwise, and shall not relieve Tenant from Tenant's obligations accruing prior to the expiration of the Term.

36. **CONSTRUCTION; SUCCESSORS; BINDING EFFECT.** The words "Landlord" and "Tenant" wherever used herein shall be construed to mean "Landlords" and "Tenants" in case more than one person constitutes either party to this Lease. The covenants, obligations, conditions and agreements herein shall be binding upon and inure to the benefit of their respective successors, heirs, executors, administrators and permitted assigns. The pronouns used herein shall include, where appropriate, either gender or both, singular and plural.

37. **NO WAIVER.** All rights and remedies of Landlord provided herein shall be cumulative, the exercise or use of any one or more shall not bar Landlord from the exercise or use of any other right or remedy provided herein or otherwise provided by law nor shall the exercise of any right waive any other right or remedy of Landlord. No waiver of a breach or default by either party shall be deemed a continuing waiver and no indulgence, waiver, election or non-election by Landlord under this Lease or the Right to Purchase Agreement shall affect Tenant's or Purchase Right Holder's duties and liabilities hereunder or under the Right to Purchase Agreement, as the case may be. Failure of Landlord to declare any default immediately upon its occurrence, or delay of Landlord in taking any action or pursuing remedies in connection with an event of default shall not constitute a waiver of such



default, nor shall it constitute an estoppel against Landlord nor a waiver with respect to any subsequent default. The acceptance by Landlord of Rent hereunder shall not be construed to be a waiver of any breach by Tenant of any term, covenant or condition of this Lease. No act or omission by Landlord or Landlord's Agents during the Term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such a surrender shall be valid unless in writing and signed by Landlord. Except when notice or demand is required by statute, Tenant waives any notice and demand for performance from Landlord if Tenant defaults under this Lease. Landlord's exercising one remedy will not constitute an election or waiver of any other of Landlord's Rights and Remedies.

**38. ATTORNEY REVIEW.** Tenant acknowledges that (a) it has received a copy of the Right to Purchase Agreement and that it is familiar with the terms thereof, (b) certain terms and provisions of the Right to Purchase Agreement may affect Tenant's rights under this Lease (and vice versa) and (c) Tenant has had an adequate opportunity to read and study this Lease and the Right to Purchase Agreement (and associated documents) and to consult with legal counsel if Tenant so desired. Accordingly, the terms of this Lease and the Right to Purchase Agreement are not to be construed against any party because of that party's role in drafting such documents nor construed in favor of any party because that party failed to understand the legal effect of the provisions of such documents.

**39. NOTICES.** Except as otherwise provided elsewhere in this Lease, all notices permitted or required under this Lease shall be in writing and shall be served by one party to the other party (each, a "Notice") at the addresses set forth below. **If notice is required to be given to Landlord, notice must be sent to both Landlord and Landlord's Agent at the addresses set forth below.** Notice shall be given in the following manner (or otherwise as permitted or required by Maryland law): (i) by personal delivery of such Notice (in which event such Notice shall be effective on the date of such delivery); (ii) in the case of Notice to Tenant, Landlord shall have the right to post the Notice upon the front door of the Premises and mail a copy if required by Applicable Law (in which event such Notice shall be effective on the date of such delivery); (iii) in any other manner permitted by Applicable Law; (iv) by mailing the Notice to the addresses contained herein by U.S. regular, registered or certified mail, return receipt requested (in which event such notice shall be effective three (3) Business Days after the date of mailing); (v) by facsimile transmission in which event it shall be effective as of date and time of delivery thereof provided that the Notice transmitted shall be received on a Business Day and during Business Hours and in the event such Notice is received either on a non-Business Day or during non-Business Hours, then the effective date and time of delivery of such Notice shall be 9:00 a.m. **Central Time** of the first Business Day after delivery; (vi) by electronic mail transmission in which event it shall be effective as of the date and time of the electronic mail transmission, provided that the Notice transmitted shall be sent on a Business Day during Business Hours and recipient shall have acknowledged such transmission (or it can be shown that the transmission was opened by the recipient). In the event an electronic mail transmission Notice is transmitted either during non-Business Hours or a non-Business Day, the effective date and time of Notice shall be 9:00 a.m. **Central Time** of the first Business Day after delivery; or (vii) by a nationally-recognized overnight delivery or courier company (e.g., FedEx) in which event such Notice shall be effective one (1) Business Day after the date of deposit with the courier, shipping prepaid. In addition to the foregoing delivery options, notices from Landlord may be delivered to Tenant via a link to Landlord's portal.

Notices to Landlord shall be sent to Landlord's Notice Address in Section 1.C and Notices to Tenant shall be addressed to the Tenant Notice Recipient and sent to the Premises; provided, however, that if a physical mailing address other than the Premises is inserted in Section 1.H as Tenant's Notice Address, then such address shall be used solely for the mailing by U.S. regular mail of an informational copy of Notices otherwise sent to the Premises, it being agreed that Landlord's failure to send such informational copy shall not affect the effectiveness of Notices sent to the Premises or otherwise delivered in accordance with this Section. The person identified as the Tenant Notice Recipient in Section 1.I is authorized to deliver and accept Notices on behalf of all Tenants and Occupants pursuant to Section 25 above. THERE SHALL BE ONLY ONE DESIGNATED TENANT NOTICE RECIPIENT.

Landlord and Tenant shall each have the right from time to time to change the place notice is to be given under this Section (or, in the case of notices to Tenant Notice Recipient, where an informational copy is to be sent) by written notice thereof to the other party. Written notice from Landlord, Landlord's Agent or Landlord's attorney shall constitute notice from Landlord. Any person giving a notice under this Lease should retain a copy of the memo, letter, or facsimile document that was given. Facsimiles and portable document format (pdf) signatures are binding. All notices must be signed (if by email, signature may be typed within the email). Tenant must give Landlord Tenant's forwarding address in writing within five (5) days after the Expiration Date.

**40. DESCRIPTIVE HEADINGS; ENTIRE AGREEMENT; MODIFICATION.** The descriptive headings used herein are for convenience of reference only, and they are not intended to have any effect whatsoever in determining the rights or obligations of the Landlord or Tenant. This Lease, together with any Addenda and attachments hereto which are by this reference incorporated herein and made a part hereof, the Right to Purchase Agreement, the Document Review Acknowledgment signed by Tenant, together with any other written documents signed by Landlord and/or Tenant and delivered to the other, constitute the complete and entire



agreement among the parties with respect to the Premises, and no representations or oral statements of either party are binding unless contained herein or therein; however, the statements made and information contained in Tenant's lease application shall be considered material representations in this Lease such that any omissions or misrepresentations therein shall be considered a default of this Lease by Tenant. Neither Landlord nor any of Landlord's Agents has made any oral or other promises, representations, or agreements except to the extent contained in this Lease, the Right to Purchase Agreement, the Document Review Acknowledgment and any other written documents signed by Landlord and delivered to Tenant. Landlord's Agents have no authority to waive, amend, or terminate this Lease or the Right to Purchase Agreement or any part of either and no authority to make promises, representations, or agreements that impose security duties or other obligations on Landlord or Landlord's Agents unless in each instance such authority is in writing from Landlord. Landlord and Tenant expressly agree that except as otherwise provided by Applicable Laws, there are and shall be no implied warranties of merchantability, suitability, fitness for a particular purpose or of any other kind arising out of this Lease or the Premises, all of which are hereby waived by Tenant, and that there are no warranties which extend beyond those expressly set forth in this Lease. This Lease and the Right to Purchase Agreement and other written documents signed by Landlord and/or Tenant pertaining to the Premises shall not be modified, changed, altered or amended in any way except through a written amendment signed by all of the parties hereto and thereto, as applicable.

41. **RIGHT TO PURCHASE AGREEMENT.** Notwithstanding anything contained in this Lease to the contrary, (a) Tenant authorizes and directs Landlord to apply a credit against the Purchase Price for the benefit of the Purchaser at Closing (in the event the Premises are sold as a result of the exercise of the Purchase Right contained in the Right to Purchase Agreement), in an amount equal to (i) the pro-rated amount of pre-paid Rent owing to Tenant under this Lease based upon the Closing Date, if any, plus (ii) any remaining Security Deposit then being held by Landlord as of the date of Closing (subject to permitted setoffs) together with any applicable accrued but unpaid interest, in each of the foregoing cases to the extent same would otherwise be due and owing to Tenant under this Lease; provided, however, that if all (but not less than all) of the persons who comprise Tenant collectively direct Landlord, in writing delivered at least five (5) days prior to the scheduled Closing Date, that any or all of such amounts not be applied against the Purchase Price, then Landlord shall comply with such direction; (b) the Term of this Lease may be extended pursuant to the terms of the Right to Purchase Agreement; and (c) this Lease shall automatically terminate and expire on the date on which the sale of the Premises is consummated pursuant to the Right to Purchase Agreement or Executed Purchase Contract, as applicable, and such Closing Date shall, for all purposes under this Lease, be deemed to be the last day of the Term of this Lease.

Tenant specifically waives any right it may have to a return of the Security Deposit together with any applicable accrued but unpaid interest or pre-paid Rent so long as same are paid or credited to the Purchaser at Closing as set forth in the immediately preceding paragraph or are otherwise applied by Landlord as permitted by this Lease and Applicable Law, and hereby irrevocably assigns to the Purchase Right Holder and/or the Purchaser under the Right to Purchase Agreement or the Executed Purchase Contract, as applicable, any and all rights Tenant may have thereto, it being understood and agreed that any amounts credited against the Purchase Price as aforesaid shall automatically be deemed to have been returned to the Tenant under this Lease and Landlord shall have no further obligation to account to Tenant for same under this Lease. Furthermore, Landlord shall have the absolute right to terminate the Right to Purchase Agreement upon a default by Tenant hereunder which is not cured within any applicable notice or cure periods. Likewise, a default by the Purchase Right Holder and/or the Purchaser, as applicable or a termination of the Right to Purchase Agreement or the Executed Purchase Contract shall constitute a default under this Lease and Landlord shall have the right (but not the obligation) to exercise any of Landlord's Rights and Remedies.

42. **NO THIRD PARTY BENEFICIARIES.** This Lease does not create any rights, claims or benefits inuring to any person or entity that is not a party to this Lease, nor does it create or establish any third party beneficiary to this Lease. Tenant shall not be a third party beneficiary of any agreements entered into by Landlord which may affect the Premises.

43. **NON-TERRORIST REPRESENTATION.** Each person or entity constituting Tenant by its execution of this Lease certifies that he/she has not been nor will be designated or named as a terrorist, a "Specially Designated National and Blocked Person," or any other banned or blocked individual or entity pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control or on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website. Any violation of this Section shall constitute a default under this Lease. Tenant shall defend, indemnify, and hold harmless the Landlord Indemnitees from and against any and all claims, damages, losses, risks, liabilities, and expenses (including reasonable attorneys' fees and costs) arising from or related to any current or future breach of the foregoing certification.

44. **POSSESSION; AGREEMENT EFFECTIVENESS; NO OFFER.** In the event Landlord cannot deliver possession of the Premises to Tenant upon the Estimated Commencement Date identified in Section 2.F, then Landlord shall have no liability to Tenant, but Rent shall abate until possession is given and the Commencement Date and Expiration Date shall automatically be

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham, Page 18 Jordan M Durham

Tyrique K Durham

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extended for such additional period of time until possession can be given to Tenant; provided, however, that if (a) Landlord is unable to deliver possession of the Premises to Tenant within thirty (30) days after the Estimated Commencement Date (and such delay was not caused by Landlord's performance of Landlord Work, Repair & Maintenance Work or other work requested by Tenant and agreed to by Landlord in writing) or (b) Landlord has not acquired title to the Premises within thirty (30) days after the Estimated Commencement Date (it being understood and agreed that Landlord's obligations under this Lease are expressly contingent upon Landlord acquiring title to the Premises prior to the expiration of such 30-day period), then Landlord and Tenant shall each have the right to terminate this Lease and the Right to Purchase Agreement (but not one without the other) upon notice to the other delivered after the 30<sup>th</sup> day after the Estimated Commencement Date but prior to Landlord's actual delivery of the Premises to Tenant, in which event this Lease and the Right to Purchase Agreement shall each be deemed to have been void *ab initio* (to have never been of any force or effect), neither party shall have any further obligation to the other hereunder or thereunder, and any Security Deposit and prepaid Rent shall be promptly refunded to Tenant, except as otherwise provided in the Document Review Agreement to the contrary. Notwithstanding the foregoing to the contrary, it is understood that if Landlord has not acquired title to the Premises based upon Tenant's indication that it has withdrawn or revoked (or attempted to withdraw or revoke) this Lease or the Right to Purchase Agreement prior to their full execution and delivery (or thereafter but prior to the Commencement Date), whether or not same is prohibited by the terms thereof, then Landlord shall be entitled to retain the Deposit described in the Document Review Acknowledgment.

Landlord has delivered a copy of this Lease to Tenant for Tenant's review only, and the delivery hereof does not constitute an offer or an option to Tenant. **Notwithstanding anything contained in this Lease to the contrary, the submission of this Lease to Landlord, executed on behalf of Tenant, shall constitute an irrevocable offer to Landlord to enter into this Lease which may be accepted by Landlord within fifteen (15) days after Tenant's submission thereof to Landlord, and Tenant shall not have the right to terminate this Lease nor revoke its offer within such 15-day period.**

**Landlord has made or will be making an offer to purchase the Premises in reliance upon Tenant's having submitted a signed copy of this Lease and the Purchase Right Holder having submitted a signed Right to Purchase Agreement to Landlord.** Tenant acknowledges that Landlord shall have incurred significant costs in an attempt to purchase (or the actual purchase of) the Premises in material reliance upon such irrevocable offer. As such, in the event Tenant or the Purchase Right Holder changes its mind or attempts to revoke or terminate this Lease or the Right to Purchase Agreement prior to the last to occur of (i) the full execution and delivery of this Lease and the Right to Purchase Agreement by Landlord and (ii) Landlord's acquisition of title to the Premises, then if Landlord agrees to a termination of Tenant's irrevocable submission of this Lease and the Right to Purchase Agreement to Landlord within such 15-day period (it being understood and agreed that Landlord shall have no obligation to so agree in either event), Landlord shall have the right to retain the Deposit made by Tenant pursuant to the Document Acknowledgment Agreement (regardless of whether or not same is deemed to be prepaid Rent, Security Deposit or otherwise) to reimburse Landlord for the out-of-pocket costs and expenses incurred by Landlord in connection with purchasing or attempting to purchase the Premises (including but not limited to inspection costs, third party professional costs, closing costs, rehabilitation costs of the Premises, attorneys' fees and the like, as more particularly described in the Document Review Acknowledgment, collectively, the "Termination Costs"), and to the extent that amount of the Deposit retained by Landlord exceeds the aggregate amount of the Termination Costs, such difference shall be deemed to be liquidated damages to compensate Landlord for the loss of its bargain. The parties acknowledge and agree that the amount of Landlord's actual damages in such circumstance would be difficult, if not impossible, to determine and that the amount of the Deposit in excess of Termination Costs is a reasonable estimate of Landlord's damages and not a penalty. Except for the rights and obligations of Landlord and Tenant contained in Paragraph 21 of the Right to Purchase Agreement, this Section and the obligations contained in the Document Review Acknowledgment (which shall all become binding against Tenant and Purchase Right Holder upon their execution and submission to Landlord of this Lease, the Right to Purchase Agreement and the Document Review Acknowledgment, whether or not they are accepted by Landlord or if accepted, later terminated), this Lease (and the Right to Purchase Agreement) shall not otherwise become effective against Landlord until this Lease and the Right to Purchase Agreement have been executed by Landlord and Tenant or Purchase Right Holder, as applicable, and a fully executed copy of each is delivered to Tenant and the Purchase Right Holder, as applicable.

**45. PRIVACY STATEMENT.** By executing this Lease, Tenant hereby (a) reaffirms its consent to be bound by Landlord's Privacy Statement which can be found at [www.homepartners.com](http://www.homepartners.com) ("Site"), as same may be modified from time to time ("Privacy Statement"), (b) consents to the collection and use by Landlord and Landlord's Agents (on Landlord's behalf) of Tenant's personally identifiable information ("Personal Information") whether via use of the Site, provided offline to or obtained by Landlord (e.g., a paper lease application, social security number, information contained in a credit or employment history check, etc.) and (c) expressly authorizes Landlord to use and/or disclose Personal Information for any of the following reasons: (i) to communicate with Tenant, (ii) to share or use such Personal Information to process and verify information contained in Tenant's lease application, to perform background and credit checks, and to enforce this Lease, the Right to Purchase Agreement and other Tenant obligations, (iii)

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promotional or marketing purposes, (iv) to share such Personal Information with Landlord's Agents, affiliates or third parties in connection with the business purposes of Landlord, the Site or the Premises, (v) as required or permitted by Applicable Laws in the event of a criminal investigation, suspected illegal activity or as requested by government or regulatory authorities, (vi) in connection with an acquisition, financing, merger, restructuring, sale or other transfer involving the Premises, this Lease or all or any portion of Landlord's business and/or (vii) for other business purposes of Landlord. If Tenant does not wish to receive future commercial email messages from Landlord, it may opt out of receiving such commercial email messages by following the link and instructions provided in the Site or in such email messages, which opt-out right applies to commercial email messages only.

46. **REPRESENTATIONS IN APPLICATION FOR LEASE.** This Lease has been entered into in reliance on the information given by Tenant on Tenant's application for Lease which information is made a part of this Lease by this reference. Tenant shall promptly advise Landlord in writing of any changes to the information contained in the application. If any of Tenant's material representations are found to be misleading, incorrect, untrue or omitted, it shall constitute a default under this Lease and Landlord shall have the right to immediately terminate this Lease in accordance with Applicable Law and require Tenant to vacate the Premises, to the extent permitted by Applicable Law.

[remainder of page intentionally left blank]



47. ORIGINALS AND ATTACHMENTS. This Lease has been executed in multiple originals, each with original signatures. When the Condition Form is completed, both Tenant and Landlord should retain a copy. The items checked below are attached to this Lease and are incorporated herein by this reference and are binding upon the parties even if not initialed or signed:

- Attachment A (Utilities & Services)
- Attachment B (State and Federal Disclosures)
- Attachment B-1 (Montgomery County, MD provisions)
- Attachment C (Minimum Required Insurance Addendum)
- Crime Free Lease Addendum
- Utilities Transfer Authorization
- Pet Addendum
- HOA Rules and Related Documents
- Rules and Regulations
- Renovation Addendum For Landlord Work
- Repair, Maintenance & Improvement Addendum
- Mold Addendum
- Commencement Date Notification (form attached)
- Condition Form (to be provided on or about the Commencement Date)
- Other: Air Filter Addendum

Tenant understands that this Lease will automatically renew at the end of the Initial Term, and for up to four (4) additional Renewal Terms of one (1) year each, unless Tenant gives Landlord at least sixty (60) days' prior written notice of Tenant's intention to terminate the Lease effective as of the then-scheduled Expiration Date, or unless the Lease is terminated in another manner. By initialing below, Tenant indicates its consent to the automatic renewal provision which is more particularly described in MD Section 8 of this Lease.

Tenant's Initials: MD

**THIS LEASE IS NOT A CONTRACT TO BUY. THIS AGREEMENT IS AN INTEGRAL PART OF YOUR LEASE AND IS GOVERNED BY TITLE 8 OF THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND AND A TENANT OR PROSPECTIVE TENANT SHALL HAVE ALL APPLICABLE RIGHTS AND REMEDIES PROVIDED UNDER THAT TITLE.**

In Witness Whereof, the parties have executed this Lease, intending to be legally bound thereby, effective as of the date set forth after Landlord's signature below as the Effective Date.

Tenant: DocuSigned by:  
Marcus Wendall Durham  
57685CBE97B3405...

Name: Marcus Wendall Durham  
DocuSigned by:  
**Marcus Durham**  
D3C9AF5506A64E7...

Name: Avoka A Ross-Durham  
DocuSigned by:  
Jordan M Durham  
1282D3C9CA1A421...

Name: Jordan M Durham  
DocuSigned by:  
Jordan M Durham  
E4C0EDA175D948B...

Name: Tyrique K Durham

Landlord:  
HP Maryland I LLC  
a Delaware limited liability company

DocuSigned by:  
Maria Garcia  
B15997C2DF1E4AE...

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Authorized Agent

DocuSigned by:  
T.D.  
F4874639E50946E...  
Trinity Durham



**ATTACHMENT A**

**UTILITIES & SERVICES**

**Excluded Utilities & Services\*** (Tenant’s responsibility and expense) (check all that apply):

- Electricity
- Gas/Heating fuel
- Window and Door storms & screens replacement, except to the extent performance of same is required by Landlord pursuant to Applicable Law
- Pest control (interior and exterior), except to the extent performance of same is required by Landlord pursuant to Applicable Law
- Furnace/HVAC - supply and change heating and air conditioning filters at least once a month
- Water service and, where applicable, irrigation service
- Sewage disposal and storm sewer service
- Rubbish removal
- Regular lawn mowing
- Landscape maintenance which includes, but is not limited to, lawn mowing, removing weeds and debris, fertilizing, mulching and trimming all lawns, shrubbery, flowers, trees and other landscaping and foliage
- Snow and ice removal (including ice melt or salting), as necessary
- Replacement with working batteries in smoke/carbon monoxide detectors no less than every 6 months
- Replacement of light bulbs, as needed
- Day-to-day maintenance and repairs but excluding any repairs required to be made by Landlord pursuant to Applicable Laws
- Other: \_\_\_\_\_

**Included Utilities & Services\*** (Landlord’s responsibility and expense [except as otherwise noted]) (check all that apply):

- Real property taxes assessed on the Premises, including water and sewer improvement assessments (but specifically excluding any component thereof that would be included as Excluded Utilities & Services)
- HOA dues or fees, if any (but specifically excluding any so-called amenity service fees and any usage, sales or other taxes thereon, the payment of which shall be Tenant’s sole responsibility)\*\*
- Furnace/HVAC cleaning and servicing (if Landlord elects to perform same, which it shall not be obligated to do)
- Storms & Screens replacement, but only to the extent Applicable Law requires same to be performed by Landlord
- Pest control (interior and exterior), but only to the extent Applicable Law requires same to be performed by Landlord
- Any repairs required to be made by Landlord pursuant to Applicable Laws (except as otherwise provided in the Lease, Right to Purchase Agreement or the Executed Purchase Contract)
- Other: \_\_\_\_\_

\* Tenant shall at all times be responsible for all service fees, usage and sales taxes and any other taxes and fees whatsoever related to any utility or service provided to the Premises regardless of whether they are related to Included Utilities & Services or Excluded Utilities & Services.

\*\* To the extent any Excluded Utilities & Services are included within HOA dues and fees, Tenant shall not be responsible for payment thereof.

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**ATTACHMENT B**

**STATE (MARYLAND) AND FEDERAL PURCHASE AND LEASE DISCLOSURES**

1. ASBESTOS: If the Premises was constructed before 1981, it may contain asbestos-containing materials. If checked, Landlord has provided Tenant with an Asbestos Addendum disclosing any information known by Landlord regarding the location and condition of asbestos actually known to exist in the Premises. Tenant may not disturb in any manner any areas noted in any Asbestos Addendum.

Check if Premises was built before 1981. MD JMD MW JD

**Check and Tenant to initial** if Landlord provided Tenant with an Asbestos Addendum.

2. LEAD WARNING STATEMENT: Housing built before 1978 may contain lead-based paint. Lead-based paint, paint chips, and dust can pose health hazards if not maintained properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, (i) landlords must disclose in writing the presence of known lead-based paint and/or lead-based paint hazards in the Premises in an owner's "Disclosure of Information on Lead-Based Paint and/or Lead Based Hazards" and (ii) tenants must also receive a federally-approved EPA information pamphlet "Protect Your Family From Lead in Your Home" on lead poisoning prevention (jointly, "Lead Disclosures"). Note to Tenant and Landlord: Waiver of Statutory and Lead Disclosures is prohibited by Applicable Law.

Check if Premises was built before 1978. MD JMD MW JD

**Check and Tenant to initial** if Tenant acknowledges that it received both of the Lead Disclosures from Landlord prior to the Commencement Date.

Title X, Section 10108, Residential Lead-Based Paint Hazard Reduction Act of 1992 (the Federal Program) requires the disclosure of certain information regarding *lead-based paint* and *lead-based paint hazards* in connection with the rental of residential real property. An owner of pre-1978 housing is required to disclose to the tenant, based upon the owner's actual knowledge, all *known lead-based paint hazards* in the Premises and provide the tenant with any available reports in the owner's possession relating to lead-based paint or *lead-based paint hazards* applicable to the Premises.

If the Premises was built before 1979, the Premises is also subject to the Maryland Lead Paint Poisoning Prevention Program Act contained in Sections 6-801 *et seq.* of the Environmental Article of the Annotated Code of Maryland ("**Maryland Program**"). If the Premises was built before 1950, all terms of the Maryland Program apply to the Premises. If the Premises was built during or after 1950 but not later than 1978, the terms of the Maryland Program also apply to the Premises except that Landlord will have the option to participate in the liability limitation portion of the Maryland Program. Pursuant to the Maryland Program, Landlord represents and warrants to Tenant, intending that they rely upon such warranty and representation, that (**Landlord shall check and initial the section that applies**):

- \_\_\_\_\_ The Premises was built prior to 1950, the Maryland Program applies fully.
- \_\_\_\_\_ The Premises was built after 1949 but before 1979, and by checking this item, Landlord, at its option, has elected to have the Maryland Program apply.
- \_\_\_\_\_ The Premises was built after 1979, the Maryland Program does not apply.
- \_\_\_\_\_ Age Classification Unknown: Landlord is uncertain as to age classification; therefore, Landlord acknowledges that, for the purposes of the rental contemplated by this Lease, the Premises will be treated as though it had been constructed prior to 1950, and agrees that the Premises is fully subject to Federal and Maryland law as to the presence of lead-based paint and/or lead-based paint hazards.

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Notice to Tenant - lead-based paint and lead-based paint hazards: Tenant acknowledges that the Premises may be subject to Federal and Maryland law as to the presence of lead-based paint and/or lead-based paint hazards. Tenant acknowledges the receipt of the following required brochures pursuant to the Maryland Program:

- (i) The Notice of Tenants' Rights, Lead Poisoning Prevention, published by the Maryland Department of the Environment;
- (ii) The "Protect Your Family From Lead In Your Home" brochure, published by the United States Environmental Protection Agency; and
- (iii) The "Keep Your Home Lead-Safe" pamphlet, published by the Maryland Department of the Environment.

\_\_\_\_\_ **Check and Tenant to initial** acknowledging receipt of items (i) - (iii) and confirming that Tenant understands and acknowledges that compliance under Federal and Maryland laws is the sole responsibility of Landlord to the extent set forth in Applicable Laws and that Tenant agrees to read and become familiar with the requirements of Federal and Maryland law as contained in the above brochures and notice.

3. RADON GAS NOTIFICATION: Radon is a naturally occurring radioactive gas that, when it has 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 have been found in buildings in Maryland. Additional information regarding radon and radon testing may be obtained from your county public health unit.
4. HISTORIC DISTRICT:  (CHECK IF PREMISES IS LOCATED WITHIN AN HISTORIC DISTRICT AND THIS SECTION IS APPLICABLE). Tenant acknowledges that the Premises is located in the \_\_\_\_\_ historic district and is subject to strict covenants concerning (a) architectural changes and additions to the Premises and other real property within that district, and (b) other uses of the Premises. Tenant agrees not to violate or allow any Occupant to violate those covenants. Landlord will provide a copy of those covenants to Tenant promptly on written request by Tenant.
5. HOMEOWNERS' ASSOCIATION:
 

**Check** if Premises is located within an HOA. See Section 3 of the Lease for additional HOA provisions.
6. MARIJUANA. On January 20, 2011, the U.S. Department of Housing and Urban Development issued a Memorandum on the Subject of Medical Use of Marijuana and Reasonable Accommodation in Federal and Public Housing. The Memorandum states that even though "otherwise disabled medical marijuana users are not excluded from the Fair Housing Act's definition of 'handicap', accommodations allowing for the use of medical marijuana in public housing or other federally assisted housing are not reasonable." In the final analysis, it appears that the U.S. Department of Housing and Urban Development has unequivocally determined that a landlord can refuse to permit the use of medical marijuana and other medical marijuana-related conduct. Accordingly, to the maximum extent permitted by Applicable Laws, giving primacy to federal laws to the extent they supersede state or local laws, the storage, transportation, use or consumption of medical marijuana or similar substances on the Premises is strictly prohibited.

\_\_\_\_\_ **Tenant to initial.**

7. See Commencement Date Notification and the Right to Purchase Agreement for additional disclosures which may have been provided to and acknowledged by Tenant.
 

\_\_\_\_\_ **Check and Tenant to initial** if Landlord provided Tenant with a Real Property Disclosure.
8.  **Check** if the Premises is located in Montgomery County, Maryland, in which event **Attachment D-1** attached hereto shall be incorporated into the Lease by this reference; otherwise, it shall be disregarded.

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**FOR PURPOSES OF THIS ATTACHMENT B, REFERENCES TO TENANT SHALL INCLUDE THE PURCHASE RIGHT HOLDER.**

**THE UNDERSIGNED ACKNOWLEDGES HAVING RECEIVED AND READ THE FOREGOING LIST OF DISCLOSURES AS WELL AS HAVING RECEIVED ANY SEPARATE DISCLOSURES REFERENCED IN THIS ATTACHMENT B AS OF \_\_\_\_\_.**

DocuSigned by:  
*Marcus Wendall Durham*  
57685CBE97B3405...

DocuSigned by:  
Name: Marcus Wendall Durham  
**Marcus Durham**  
D3C9AF5506A64E7...

DocuSigned by:  
Name: Ayoka A Ross-Durham  
*Jordan M Durham*  
1282D3C9CA1A421...

DocuSigned by:  
Name: Jordan M Durham  
*Jordan M Durham*  
E4C0EDA175D948B...

Name: Tyrique K Durham

DocuSigned by:  
*T.D.*  
F4874639E50946E...  
Trinity Durham

**Landlord:**

HP Maryland I LLC  
a Delaware limited liability company

DocuSigned by:  
*Maria Garcia*  
B15997C2DF1E4AE...

By: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: Authorized Agent

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham

Premises Address: 6290 Cracklingtown Road, Hughesville, MD 20637  
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## ATTACHMENT C

## MINIMUM REQUIRED INSURANCE ADDENDUM TO LEASE AGREEMENT

This Addendum is attached to and becomes a part of that certain Residential Lease Agreement (the "Lease") by and between the Tenant and Landlord dated the date hereof. All capitalized terms herein shall have the meaning ascribed to such term in the Lease, unless such term is otherwise defined herein. Notwithstanding anything to the contrary set forth in the Lease, this Addendum shall control with regard to any conflicts that may arise. Landlord and Tenant, as a condition precedent to the execution of the Lease, agree as follows:

1. During the entire Term of the Lease, minimum insurance coverage ("Minimum Required Insurance") for the Premises must remain in full force and effect. The Minimum Required Insurance requirement may be met in one of two ways.

A. **OPTION 1:** As an alternative to Landlord obtaining Replacement Renter's Insurance as set forth in Section 12 of the Lease, Tenant understands and agrees that if Tenant declines (or otherwise fails) to obtain their own insurance pursuant to Option 2 below in Section 1(B), Tenant shall automatically be enrolled into the Master Resident Liability Program ("MRLP"). Pursuant to the MRLP, Landlord shall purchase One Hundred Thousand Dollars (\$100,000.00) of property damage liability insurance on its own behalf solely to bring Tenant into compliance of the Minimum Required Insurance requirement, with such insurance being referred to herein as "MRLP Replacement Coverage." Other terms and conditions regarding this option are further set forth below in Section 2.

B. **OPTION 2:** Tenant obtains their own insurance which, on an occurrence basis which must include (i) general liability coverage in an amount of not less than Three Hundred Thousand Dollars (\$300,000.00, or Five Hundred Thousand Dollars (\$500,000) if the Premises has a pool/spa, or such higher amount as may be required by any Pool/Spa or other Addendum now or hereafter made a part of the Lease) covering Tenant's legal liability for damage to the Landlord's property for no less than the following causes of loss: fire, smoke, explosion, backup or overflow of sewer, drain or sump, water damage, and falling objects, and (ii) personal property coverage in an amount that Tenant deems sufficient to cover the repair or replacement costs of any loss to Tenant's personal property located at the Premises. Under this Option 2, Tenant is required to (a) cause the insurer or agent to provide Landlord with written evidence of such insurance prior to taking possession of the Premises (e.g., by delivery of a certificate of insurance or other evidence in Landlord's sole and absolute discretion) (b) take all actions necessary for Landlord, in Landlord's sole and absolute discretion, to be notified by the issuer of the Minimum Required Insurance if such coverage is terminated or not renewed (i.e., the issuer of such insurance must agree to name Landlord as an additionally insured party and provide at least 30 days' prior written notice to Landlord of its intention to cancel or not renew such policy, 10 days for nonpayment), and (c) Name "POPIC, LLC – Pathlight Property Management" as an additional interest, and list its address as: 1200 Newport Center Drive, Ste. 185, Newport Beach, CA 92660. Unless Landlord otherwise indicates in writing, evidence of insurance required to be maintained by Tenant pursuant to this Addendum shall be delivered by Tenant to notices@pathlightmgt.com and [pathlight@popicllc.com](mailto:pathlight@popicllc.com).

2. If MRLP Replacement Coverage is purchased pursuant to the MRLP as described in Option 1 above, it is understood that such policy will be purchased by the Landlord for its own benefit. However the cost of such MRLP Replacement Coverage, Thirteen Dollars (\$13.00) for each month or partial month during the period during which such MRLP Replacement Coverage is applicable, shall be passed on to the Tenant and constitute Additional Rent payable by Tenant with Tenant's next Monthly Base Rent payment due. Additionally, Tenant acknowledges and agrees that with regard to any MRLP Replacement Coverage:

(a) Landlord shall not be obligated to include Tenant as an insured on such MRLP Replacement Coverage (or if included, Tenant may be a secondary beneficiary under such policy while Landlord is the primary beneficiary thereof).

(b) MRLP Replacement Coverage is strictly property damage liability insurance independently purchased and carried by the Landlord for its own benefit in part to satisfy Tenant's obligation to carry Minimum Required Insurance. **IT IS NOT PERSONAL LIABILITY INSURANCE OR RENTER'S INSURANCE BENEFITTING TENANT, NOR IS IT A POLICY IN THE NAME OF THE TENANT OR PURCHASED FOR TENANT.** Landlord makes no representation that MRLP Replacement Coverage covers the Tenant's



personal property (contents), additional living expense or liability arising out of bodily injury to any third party, only a renter's insurance policy will do this. Therefore, if Tenant desires any of these coverages, then Tenant should contact an insurance agent or insurance company of Tenant's choice to obtain such coverage because Landlord shall not be obligated to include Tenant's personal liability or Tenant's personal belongings in the coverage of such MRLP Replacement Coverage.

(c) Landlord is not required to obtain MRLP Replacement Coverage and shall have no liability for failure to obtain any MRLP Replacement Coverage or for the failure of such insurance to cover Tenant's personal liability, personal property or other belongings.

(d) The MRLP Replacement Coverage may be more expensive than the cost of insurance obtainable by Tenant elsewhere. At any time Tenant may obtain Minimum Required Insurance or broader coverage from an insurance agent or insurance company of Tenant's choice; provided however, Tenant must immediately furnish evidence of such new insurance to Landlord consistent with Paragraph 1 above, and if Tenant fails to do so, they shall be in material default under the Lease. If Tenant furnishes evidence of such Minimum Required Insurance and maintains that insurance for the duration of the Lease Agreement, then the MRLP Replacement Coverage shall be cancelled by Landlord and nothing more is required.

(e) Licensed insurance agents may receive a commission on the MRLP Replacement Coverage.

(f) **Any MRLP Replacement Coverage policy obtained by Landlord shall terminate contemporaneously with the expiration or termination of this Lease.** At least fifteen (15) days prior to the cancellation or expiration of each policy of Minimum Required Insurance, Tenant shall provide Landlord with written evidence of renewal thereof and payment of the premium therefor. Any Minimum Required Insurance maintained (or required to be maintained) by Tenant hereunder shall be primary to any insurance carried independently by Landlord, and Tenant agrees to look solely to, and seek recovery only from, Tenant's insurance carriers in the event of a loss.

3. This Addendum may be executed in one or more counterparts, each of which shall be deemed an original. This Addendum shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

DocuSigned by:  
*Marcus Wendall Durham*  
57685CBE97B3405...

DocuSigned by:  
**Marcus Durham**  
D3C9AF5506A64E7...

Tenant Signature

Tenant Signature

7/27/2021

7/27/2021

DocuSigned by:  
Date *Jordan M Durham*  
1282D3C9CA1A421...

DocuSigned by:  
Date *[Signature]*  
E4C0EDA175D948B...

Tenant Signature

Tenant Signature

7/27/2021

7/28/2021

Date

Date

DocuSigned by:  
*T.D.*  
F4874639E50946E...  
7/27/2021

**CRIME FREE LEASE ADDENDUM**

As part of the consideration for the execution or renewal of a lease of the Premises identified in the Residential Lease Agreement ("Lease") among the undersigned parties to which this Crime Free Lease Addendum ("Crime Free Addendum" or "Addendum") is attached, in addition to all other terms of the Lease, Landlord and Tenant hereby agree that this Crime Free Addendum expressly amends the Lease as follows:

1. Tenant covenants and agrees that each Occupant:
  - a. Shall not engage in any criminal activity or violation of local municipal code or any other violations as defined by local, state or federal law, including drug-related criminal activity, on, near or off the Premises. Drug related criminal activity shall mean the illegal manufacture, sale, distribution, use, possession and possession with intent to manufacture, sell, distribute, or use an illegal or controlled substance (also as defined in § 102 of the Controlled Substance Act [21 U.S.C. 802]).
  - b. Shall not engage in any act that is intended to facilitate any criminal activity or violation of local municipal ordinances or any other violations as defined by any local, state or federal law and/or obstruct or resist law enforcement's efforts against criminal activity on, near or off the Premises.
  - c. Shall not permit the Premises to be used for or to facilitate any violations of Applicable Laws.
  - d. Shall not engage in the unlawful manufacturing, selling, using, storing, keeping or giving of an illegal or controlled substance as defined in any Applicable Laws, at any locations, whether on, near or off the Premises.
  - e. Shall not engage in any illegal activity, including, but not limited to prostitution, criminal street gang activity, threatening or intimidating acts, the unlawful discharge of a weapon on, near or off the Premises, or any breach of the Lease that otherwise jeopardizes the health, safety and welfare of Landlord, Landlord's Agents, or any person or Occupant, or involving risk of imminent or actual damage to person or property.

To the maximum extent not prohibited by Applicable Laws, Tenant agrees to be responsible for the actions of all Occupants, regardless of whether Tenant knew or should have known about any such actions.

2. *VIOLATION OF ANY OF THE PROVISIONS CONTAINED IN PARAGRAPH 1 ABOVE SHALL BE A MATERIAL AND IRREPARABLE VIOLATION OF THE LEASE AND SHALL CONSTITUTE GOOD CAUSE FOR IMMEDIATE TERMINATION OF THE LEASE, TENANT'S TENANCY AND EVICTION FROM THE PREMISES, SUBJECT TO APPLICABLE LAWS.* It is understood and agreed that a single violation of any of the provisions of this Addendum shall be deemed to constitute a serious, material and irreparable breach of the Lease for which no notice or opportunity to cure shall be required to be given unless required by Applicable Laws, and that such violation shall constitute good cause for immediate termination of the Lease or the exercise of other Landlord's Rights and Remedies. Unless otherwise provided by law, proof of violation shall not require a criminal conviction, but shall only require a preponderance of the evidence.
3. To the extent permitted by Applicable Law, Tenant hereby authorizes Landlord and Landlord's Agents to use police-generated reports and/or business records as a hearsay exemption against Tenant and agrees that same shall constitute reliable, direct evidence in all eviction hearings and other litigation matters.
4. This Addendum is incorporated into the Lease as though fully set forth therein. In case of conflict between the provisions of this Addendum and any provisions of the Lease, the provisions of this Addendum shall govern. Capitalized terms used in this Addendum which are not otherwise defined herein shall have the meanings ascribed thereto in the Lease. This Addendum may be executed in one or more counterparts, each of which shall be deemed an original. The Lease, as amended by this Addendum, shall continue in full force and effect, subject to the terms and provisions thereof. This Addendum shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the Effective Date of the Lease.

DocuSigned by:  
 \_\_\_\_\_  
 Name: Marcus Wendall Durham  
 \_\_\_\_\_  
 Name: Marcus Durham  
 \_\_\_\_\_  
 Name: Ayoka A Ross-Durham  
Jordan M Durham  
 \_\_\_\_\_  
 Name: Jordan M Durham  
 \_\_\_\_\_  
 Name: Tyrique K Durham

**Landlord:**  
 HP Maryland I LLC  
 a Delaware limited liability company  
 DocuSigned by:  
Maria Garcia  
 \_\_\_\_\_  
 By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: Authorized Agent  
 DocuSigned by:  
T. D.  
 \_\_\_\_\_  
 Trinity Durham

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham  
 Premises Address: 6290 Cracklintown Road, Hughesville, MD 20637  
 Lease-RTP-MD: 2020-03

**UTILITIES TRANSFER AUTHORIZATION**

As part of the consideration for the execution or renewal of a lease of the Premises identified in the Residential Lease Agreement (“Lease”) to which this Utilities Transfer Authorization (“Utilities Authorization”) is attached, in addition to all other terms of the Lease, Landlord and Tenant hereby agree as follows:

If Tenant fails to transfer accounts for utilities and services for which Tenant is responsible under the Lease (i.e., Excluded Utilities & Services) into the name of one or more of the persons who constitute Tenant **within 72 hours of the Commencement Date**, the same shall constitute a default under the terms of the Lease, and Tenant hereby unconditionally authorizes Landlord and its representatives to do so on Tenant’s behalf (in the name of one or more of the persons who constitute Tenant, in Landlord’s discretion) and to provide any information and take any actions necessary to do so.

Tenant agrees that if Tenant fails to timely pay for all Excluded Utilities & Services, Landlord shall have the right, but not the obligation, to pay them on Tenant’s behalf, and such payment shall not be considered a waiver under any circumstances under the Lease, but any and all such payments made by Landlord on Tenant’s behalf shall be considered Additional Rent to be included with Tenant’s next Monthly Base Rent payment due and payable in accordance with the terms of the Lease.

This Utilities Authorization is attached to and incorporated into the Lease as though fully set forth therein. In case of conflict between the provisions of this Utilities Authorization and any provisions of the Lease, the provisions of this Utilities Authorization shall govern. Capitalized terms used in this Utilities Authorization which are not otherwise defined herein shall have the meanings ascribed thereto in the Lease. This Utilities Authorization shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF, the undersigned has executed this Utilities Authorization as of 8/24/2021 with respect to the Premises located at: 6290 Cracklingtown Road, Hughesville, MD 20637.

DocuSigned by:  
Marcus Wendall Durham  
57685CBE97B3405...

Name: Marcus Wendall Durham  
Marcus Durham  
D3C9AF5506A64E7...

Name: Ayoka A Ross-Durham  
Jordan M Durham  
1282D3C9CA1A421...

Name: Jordan M Durham  
Jordan M Durham  
E4C0EDA175D948B...

Name: Tyrique K Durham

DocuSigned by:  
T. D.  
F4874639E50946E...  
Trinity Durham

**Landlord:**  
HP Maryland I LLC  
a Delaware limited liability company

DocuSigned by:  
Maria Garcia  
B15997C2DF1E4AE...  
By: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: Authorized Agent

**PET ADDENDUM**

As part of the consideration for the execution or renewal of a lease of the Premises identified in the Residential Lease Agreement ("Lease") to which the undersigned Landlord and Tenant are parties and to which this Pet Addendum to Residential Lease Agreement ("Pet Addendum") is attached, Landlord and Tenant hereby agree that this Pet Addendum expressly amends the Lease. Landlord and Tenant each hereby agrees to the following rules and regulations regarding the presence of Pets in or around the Premises.

1. Tenant agrees that only the Pets listed and named below may occupy the Premises. No additional, replacement or different Pets are allowed without the prior written consent of the Landlord and execution of a new Pet Addendum. Only a combined maximum number of three (3) Pets are allowed on the Premises at any time, each must be a non-aggressive breed and all must weigh less than 180 pounds in total combined weight. Any dog which is one of or a mix of the following breeds is expressly prohibited from being on the Premises: Rottweiler, Pit Bull, Doberman or Mastiff. Any Pet that demonstrates aggressive behavior toward an individual or another animal shall be promptly and permanently removed from the Premises and failure to do so will constitute a default under the Lease and could result in legal action.
2. Tenant shall abide by all Applicable Laws, insurance requirements and HOA Rules with respect to Pets (including but not limited to licensing and shot requirements), and agrees that Pets will not cause: danger, damage, nuisance, noise, health hazard or soil the Premises, grounds, or landscaping in or around the Premises and agrees to indemnify Landlord for same. Tenant hereby accepts full responsibility and liability for any damage, injury or actions arising from or caused by the Pets (both to the interior and exterior of the Premises). Tenant shall be responsible for ensuring that the Pets do not damage property (including the Premises and property of others) and Tenant shall be solely responsible for all costs involved to restore same to the original undamaged condition, it being agreed that if same cannot be repaired or restored, then Tenant agrees to pay the full cost of replacement. Tenant shall be responsible for preventing the Pets from engaging in behaviors or creating excessive noise at levels that may disturb neighbors including, but not limited to, barking, jumping, and running off-leash. Pets must be restrained or confined whenever a service call is requested or whenever it is likely to limit or prohibit Landlord or Landlord's Agents or others access to the Premises as permitted by the Lease. Landlord reserves the right to require that Tenant purchase and maintain dog bite liability insurance if Landlord has approved a dog at the Premises (other than a service or assistance animal).
3. If there is reasonable cause to believe an emergency situation exists with respect to a Pet and if reasonable efforts to contact Tenant are unsuccessful, Landlord or Landlord's Agents shall have the right to contact the local animal control authority and assist its staff in entering the home. Examples of an emergency situation include suspected abuse, abandonment, fire or other disaster, or any prolonged disturbance. If it becomes necessary for the Pet to be boarded, all costs incurred will be the sole responsibility of Tenant.
4. As a condition of Landlord consenting to Tenant having the Pet(s) identified in this Pet Addendum at the Premises, Tenant agrees to pay a **\$300.00 pet fee** and, upon such payment, shall be entitled to have **one (1) Pet at the Premises at any given time**. For clarification purposes, if as of the Commencement Date or anytime thereafter, two (2) Pets have been approved by Landlord for the Premises and are identified on one or more Pet Addenda, Tenant shall pay a \$300.00 pet fee for each Pet or \$600.00 total; provided, however, that if, during the Term, one of those Pets is replaced by a different approved Pet, then no additional pet fee shall be charged for the replacement Pet; provided, further, however, that if a third (3<sup>rd</sup>) Pet is approved and brought into the Premises, then an additional Pet Addendum must be executed and one additional pet fee shall be due and payable. The initial pet fee shall be due and payable on or before the Commencement Date or the date that the Pet is first brought into the Premises, if after the Commencement Date. It is understood and agreed that any damage to the Premises caused by a Pet shall be deemed to have been caused by and accepted by Tenant, Purchase Right Holder and Purchaser, as the case may be, and neither Seller nor Landlord shall be responsible for repairing same. Landlord shall have the right, in accordance with Applicable Laws, to deduct from the Security Deposit the cost of repairing any damage caused to the Premises by any Pet during the Term which shall include, but not be limited to, the cost to professionally treat the Premises (interior and exterior) for fleas, ticks and the like if there is reasonable evidence of pet damage, repaint and clean carpets and window treatments, in each case with contractors selected by Landlord. Neither the amount of the pet fee, Security Deposit nor Pet Rent shall limit Tenant's liability for damages as a result of any Pet under the terms of this Pet Addendum or the Lease nor waive any of Landlord's Rights and Remedies. **In addition to each pet fee, Tenant agrees to pay to Landlord the sum of \$30.00 per month (prorated for partial months) as "Pet Rent", which amount shall be considered and payable as Additional Rent under the Lease, for all periods of time where there is one or more Pets at the Premises. The pet fee and the Pet Rent are (a) non-refundable, (b) shall be deemed to have been earned upon payment and (c) shall not constitute a deposit. Landlord shall not be required to deduct the cost of pet damage from the nonrefundable pet fee nor the nonrefundable Pet Rent.** In no way is this Section intended to be interpreted to apply to service or assistance animals to the extent same would violate Applicable Laws.
5. In the event of a violation of this Pet Addendum or any agreement in the Lease pertaining to Pets, Landlord shall have the right to take any or all of the following actions: (a) declare Tenant to be in default of this Pet Addendum and the Lease and exercise Landlord's Rights and Remedies including but not limited to termination of the Lease, (b) charge Tenant, as Additional Rent, an initial amount of \$60.00 for the first day and \$25.00 per day thereafter per pet for each day that such violation exists, (c) terminate this Pet Addendum (and Tenant's right to have a Pet at the Premises) and require Tenant to immediately remove or cause to be removed the applicable Pet

Tenant Name: Marcus Wendall Durham      Ayoka A Ross-Durham      Jordan M Durham      Tyrique K Durham

Premises Address: 6290 Cracklintown Road, Hughesville, MD 20637  
Lease-RTP-MD: 2020-03

from the Premises, with such removal time to depend on the severity of the situation, but in no event more than three (3) days after notice from Landlord, and/or (d) if Tenant fails to have the Pet removed pursuant to (c), Landlord may remove or cause to be removed such Pet from the Premises and deliver it to appropriate local authorities by providing at least 24 hours' prior notice to Tenant of Landlord's intention to remove the unauthorized Pet; and (e) charge Tenant Landlord's cost to remove any unauthorized animal, exterminate the Premises for fleas and other insects, clean and deodorize the carpets and drapes located in the Premises and repair any damage to the Premises caused by the unauthorized pet (including repainting if necessary). When taking any action under this Pet Addendum (including this Paragraph 5), and to the maximum extent allowed under Applicable Laws, Landlord shall not be liable for any harm, injury, death or sickness to any Pet.

- 6. Tenant agrees that even if no Pets occupy the Premises upon execution of the Lease, if a Pet is brought onto the Premises at any time (or permanently removed from the Premises), the above conditions apply and Tenant shall be obligated to immediately notify Landlord of same and execute a new copy of this Pet Addendum in the event of a replacement or additional Pet.
- 7. Notwithstanding anything to the contrary contained herein, no Pet Rent, pet fee or deposit shall be required under this Pet Addendum to the extent same is prohibited under the Americans with Disabilities Act, the Fair Housing Act or other Applicable Laws with respect to a "service or assistance" or similar animals. Landlord reserves the right to require that such service or assistance animal be governed by a separate agreement in accordance with Applicable Laws.
- 8. This Pet Addendum is incorporated into the Lease as though fully set forth therein. In case of conflict between the provisions of this Pet Addendum and any provisions of the Lease, the provisions of this Pet Addendum shall govern. Capitalized terms used in this Pet Addendum which are not otherwise defined herein shall have the meanings ascribed thereto in the Lease. This Pet Addendum may be executed in one or more counterparts, each of which shall be deemed an original. The Lease, as amended by this Pet Addendum, shall continue in full force and effect, subject to the terms and provisions thereof. This Pet Addendum shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

**Type of House Pet Description** (identify if House Dog or House Cat and if the animal is neither, it must be pre-approved by Landlord):

Type: \_\_\_\_\_ Breed: \_\_\_\_\_ Weight: \_\_\_\_\_

Type: \_\_\_\_\_ Breed: \_\_\_\_\_ Weight: \_\_\_\_\_

Type: \_\_\_\_\_ Breed: \_\_\_\_\_ Weight: \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have executed this Pet Addendum as of the date set forth below.

The undersigned Tenant has read and agrees to the conditions of this Pet Addendum and  **WILL** have the pet(s) listed and named above occupying the Premises or  **WILL NOT** have any Pet occupying the Premises.

DocuSigned by:  
**Tenant:**  
 Marcus Wendall Durham  
 57685CBE97B3405...  
 Name: Marcus Wendall Durham  
 1282D3C9CA1A421...

Name: Jordan M Durham

Date: 7/27/2021

DocuSigned by:  
 Marcus Durham  
 D3C9AF5506A64E7...  
 Name: Ayoka A Ross-Durham  
 E4C0EDA175D948B...

Name: Tyrique K Durham

DocuSigned by:  
 T.D.  
 F4874639E50946E...  
 Name: Trinity Durham

**Landlord:** MP Maryland, LLC, a Delaware limited liability company

By: Maria Garcia Date: 8/24/2021

Name: \_\_\_\_\_  
Its: Authorized Agent

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham

Premises Address: 6290 Cracklinton Road, Hughesville, MD 20637  
Lease-RTP-MD: 2020-03



**RENOVATION ADDENDUM FOR LANDLORD WORK**

This Renovation Addendum For Landlord Work ("Addendum") is attached to and made a part of that certain Residential Lease Agreement (as heretofore amended and together with any other addenda thereto, the "Lease") to which the undersigned Landlord and Tenant are parties with respect to that certain home located at 6290 Cracklingtown Road, Hughesville, MD 20637 ("Premises"). Landlord and Tenant agree as follows:

1. Landlord has agreed to perform or cause to be performed the renovation work to the Premises which is identified on Exhibit A attached to this Addendum and by this reference made a part hereof (collectively, "Landlord Work") and Landlord shall make a good faith effort to have such work substantially completed prior to the Commencement Date of the Lease.
2. Other than as provided in this Addendum or the Lease, Landlord has no obligation to improve, alter or remodel the Premises. All installations made to the Premises shall be and shall remain the property of Landlord. If Landlord Work has not been substantially completed on or before the Commencement Date (provided the Premises may be occupied as a residence without material inconvenience to the Tenant and any life and safety issues of which Landlord has actual knowledge have been adequately addressed ("Life Safety Issues")), then within three (3) Business Days after the Commencement Date, Tenant shall provide Landlord with a written "Punch List" of any items constituting Landlord Work that Tenant identifies as being incomplete or incorrect (which Tenant may include in the Condition Form), the Commencement Date shall remain unchanged and Landlord shall exercise reasonable efforts to cause the Punch List items to be promptly completed or corrected. In the event of any dispute as to whether the Landlord Work has been substantially completed, Life Safety Issues have been adequately addressed, or whether the Punch List items have been completed, the decision of Landlord shall be final and binding on Landlord and Tenant absent manifest error. By taking possession of the Premises, Tenant shall be deemed to have accepted the physical condition of Premises and agreed that the Premises is in good order and satisfactory condition with all Landlord Work having been completed, except for items identified in the Punch List. The failure of Tenant to prepare and deliver to Landlord a written Punch List within the aforesaid period of time (time being of the essence), shall be deemed an acceptance by Tenant of the Premises and Landlord Work and a waiver of Tenant's right to provide a Punch List relative thereto. Landlord and Landlord's Agents together with their respective agents, contractors, mechanics and workmen, shall have the right to enter the Premises, at any time and with proper notice (if required by Applicable Law), to complete Punch List items, except to the extent prohibited by Applicable Laws, and such entry for such purpose shall not constitute an actual or constructive eviction in whole or in part, nor shall it entitle Tenant to any abatement or diminution of Rent, nor shall it relieve Tenant from any of its obligations under the Lease, nor shall it impose any liability upon Landlord or Landlord's Agents, to the maximum extent allowed under Applicable Laws.
3. Tenant acknowledges that the Purchase Price (as defined in the Right to Purchase Agreement) may be adjusted in accordance with the terms of Paragraph 22 of the Right to Purchase Agreement based, in part, on the cost of performing Landlord Work. The cost of Landlord Work shall not affect Tenant's Monthly Base Rent obligations under the Lease.
4. This Addendum may be executed in one or more counterparts, each of which shall be deemed an original. In case of a conflict between the provisions of this Addendum and any provisions of the Lease, the provisions of this Addendum shall govern and control. Capitalized terms used in this Addendum which are not otherwise defined herein shall have the meanings ascribed thereto in the Lease. This Addendum may be executed in one or more counterparts, each of which shall be deemed an original. This Addendum shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum as of the Effective Date.

DocuSigned by:  
**Tenant:**  
 Marcus Wendall Durham  
 57685CBE97B3405...  
 DocuSigned by:  
 Name: Marcus Wendall Durham  
 Marcus Durham  
 D3C9AF5506A64E7...  
 DocuSigned by:  
 Name: Avoka A Ross-Durham  
 Avoka A Ross-Durham  
 4282D3C9CA1A421...  
 DocuSigned by:  
 Name: Jordan M Durham  
 Jordan M Durham  
 E4C0EDA175D948B...  
 Name: Tyrique K Durham  
 Tyrique K Durham  
 DocuSigned by:  
 T.D.  
 F4874639E50948E  
 Tyrique Durham

**Landlord:**  
 HP Maryland I LLC  
 a Delaware limited liability company  
 DocuSigned by:  
 Maria Garcia  
 B15997C2DF1E4AE...  
 By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: Authorized Agent

Tenant Name: Marcus Wendall Durham Avoka A Ross-Durham Jordan M Durham Tyrique K Durham

Premises Address: 6290 Cracklingtown Road, Hughesville, MD 20637  
Lease-RTP-MD: 2020-03

**EXHIBIT A**

**TO RENOVATION ADDENDUM FOR LANDLORD WORK**

Landlord Work consists solely of the following items of work:

1. None
- 2.

[end of Exhibit A]

---

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham

Premises Address: 6290 Cracklintown Road, Hughesville, MD 20637  
Lease-RTP-MD: 2020-03

**REPAIR, MAINTENANCE & IMPROVEMENT ADDENDUM**

This Repair, Maintenance & Improvement Addendum to Residential Lease & Right to Purchase ("Addendum") expressly amends both that certain Residential Lease Agreement ("Lease") and that certain Residential Right to Purchase Agreement ("RTP Agreement") and together with the Lease and any addenda or modifications to either of them, the "Agreements", each between the Landlord identified below ("Landlord") and the Tenant and Purchase Right Holder, as applicable, who are identified below (who shall collectively be referred to herein as "Tenant" for purposes of this Addendum) with respect to that certain home located at \_\_\_\_\_ 6290 Cracklintown Road, Hughesville, MD 20637 \_\_\_\_\_ ("Premises"). Capitalized terms which are used in this Addendum but are not defined herein shall have the meaning ascribed thereto in the Agreements.

1. Tenant has agreed to accept possession of the Premises in its current AS-IS, WHERE-IS, WITH ALL FAULTS condition and, except as expressly set forth in the Agreements or as provided by Applicable Laws, Landlord has no obligation to repair, improve, alter or remodel the Premises. The Rent and Purchase Price amounts were negotiated with the express understanding that Tenant will be responsible for repair and maintenance needs of the Premises, as specified in the Lease and RTP Agreement. In the absence of Tenant's agreement to maintain the Premises, Landlord would have charged a higher Rent and Purchase Price amount.
2. "Repair & Maintenance Costs" shall mean Landlord's aggregate cost of repairing, replacing and improving any portion of the Premises including but not limited to (a) the appliances and fixtures currently or hereafter located within or serving same which shall include but not be limited to the range, oven, broiler, washer/dryer, microwave, refrigerator, sinks, toilets, dry-wall, cabinets, showers/tubs, and any other improvement, appliance or fixture located in or serving the Premises, to the extent same are owned by Landlord and Landlord has either agreed or is required to repair or replace same, (b) the items which are required to be maintained by Landlord pursuant to Section 16 of the Lease, Applicable Law, or otherwise, (c) any items which Landlord has expressly agreed to perform at its sole cost and expense (including at Tenant's request) pursuant to the Agreements (excluding Landlord Work) (collectively, "Repair & Maintenance Work"). The aggregate cost to Landlord of performing or causing to be performed all Repair & Maintenance Work is referred to as "Repair & Maintenance Costs". Repair & Maintenance Costs shall exclude any items which Tenant owns or is otherwise obligated to maintain and/or repair at Tenant's cost pursuant to the terms of the Lease and/or Applicable law and nothing contained herein shall relieve Tenant of the repair, maintenance or payment obligation relating thereto. Nothing contained herein is intended to modify any of the terms of the Renovation Addendum For Landlord Work which forms a part of the Lease.
3. Landlord shall have the right to perform or cause to be performed any of the Repair & Maintenance Work and all such items shall become part of the Premises and shall be and shall remain the property of Landlord. Tenant shall provide Landlord with a Punch List any Repair & Maintenance Work that Tenant identifies as being incomplete or incorrect within ten (10) days after the performance thereof, in which event Landlord shall exercise reasonable efforts to cause the Punch List items to be promptly completed or corrected. In the event of any dispute as to whether any portion of the Repair & Maintenance Work has been completed, the decision of Landlord shall be final and binding on Landlord and Tenant absent manifest error. The failure of Tenant to notify Landlord of any deficiencies in the performance of any Repair & Maintenance Work within ten (10) days after the performance thereof (time being of the essence) shall be deemed an acceptance of the Repair & Maintenance Work, and a waiver of Tenant's right to provide a Punch List relative thereto or dispute same, subject to Applicable Law.
4. Landlord, Landlord's Agents, contractors, mechanics and workmen shall have the right to enter the Premises at any time to perform the Repair & Maintenance Work and complete the Punch List items in accordance with Applicable Law and such entry for such purpose shall not constitute an actual or constructive eviction in whole or in part, nor shall it entitle Tenant to any abatement or diminution of Rent, nor shall it relieve Tenant from any of its obligations under the Agreements, nor shall it impose any liability upon Landlord, to the maximum extent allowed under Applicable Laws.
5. The Purchase Price as set forth in the RTP Agreement includes a Repair & Maintenance Reserve (as defined in the RTP Agreement) in the initial amount of \$2,500.00 which may result in either a credit against or a reduction in the final Purchase Price by an amount equal to the balance, if any, then remaining in such Repair & Maintenance Reserve as of the Closing. In accordance with the RTP Agreement, the amount of the Repair & Maintenance Reserve shall be reduced from time to time (but not below zero) by, among other things, the Price Adjustment (as defined in the RTP Agreement) and the aggregate Repair & Maintenance Costs incurred by Landlord; provided, however, that (a) except as set forth in the remainder of this

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham

Premises Address: 6290 Cracklintown Road, Hughesville, MD 20637  
Lease-RTP-MD: 2020-03



Paragraph or the RTP Agreement, the aggregate Repair & Maintenance Costs applied as a reduction to the amount of the Repair & Maintenance Reserve shall not exceed the aggregate sum of \$2,500.00 and (b) any adjustments to the Repair & Maintenance Reserve shall become effective as of the substantial completion of the applicable item of Repair & Maintenance Work, it being understood that there may be more than one item of Repair & Maintenance Work prior to Closing. From time to time, Landlord shall have the right to provide Tenant (and shall so provide Tenant promptly after receipt of the Exercise Notice) an update of the calculation of the amount of the Purchase Price (including the amount of the Repair & Maintenance Reserve that has been used as of the date of such update) based upon any adjustments to the Purchase Price pursuant to this Addendum or any other provision of the Lease or RTP Agreement, it being understood and agreed that Landlord's calculation of the adjusted Purchase Price and the Repair & Maintenance Reserve, provided same is calculated consistently with the terms hereof and thereof shall be final and binding on Landlord and Tenant absent manifest error. The Monthly Base Rent payable under the Lease shall not be adjusted based upon any adjustments to the Purchase Price or the Repair & Maintenance Reserve. Nothing contained in this Addendum shall affect Tenant's obligation under the Lease to perform or pay for any repair or maintenance work to the Premises which was Tenant's obligation pursuant to the terms of the Lease or the cost of which is otherwise deemed to be Additional Rent.

- 6. This Addendum may be executed in one or more counterparts, each of which shall be deemed an original. The Agreements, as amended by this Addendum, shall continue in full force and effect, subject to the terms and provisions thereof. In the event of any conflict between the terms of the Agreements and the terms of this Addendum, the terms of this Addendum shall control. This Addendum shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Repair, Maintenance & Improvement Addendum to Residential Lease & Right to Purchase as of 8/24/2021.

DocuSigned by:  
**Tenant/Purchase Right Holder:**  
*Marcus Wendall Durham*  
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**Landlord:**

HP Maryland I LLC  
a Delaware limited liability company

DocuSigned by:  
Name: Marcus Wendall Durham  
**Marcus Durham**  
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DocuSigned by:  
*Maria Garcia*  
B15997C2DF1E4AE...

By: \_\_\_\_\_

DocuSigned by:  
Name: Ayoka A Ross-Durham  
*Jordan M Durham*  
1282D3C9CA1A421...

Name: \_\_\_\_\_

DocuSigned by:  
Name: Jordan M Durham  
*Jordan M Durham*  
E4C0EDA175D948B...

Title: Authorized Agent

Name: Tyrique K Durham

DocuSigned by:  
*T. D.*  
F4874639E50946E...  
**Trinity Durham**

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham

Premises Address: 6290 Cracklinatown Road. Huahesville. MD 20637  
Lease-RTP-MD: 2020-03

**MOLD ADDENDUM**

This Mold Addendum to Residential Lease Agreement (“*Addendum*”) is attached to and made a part of that certain Residential Lease Agreement (as heretofore amended and together with any other addenda thereto, the “*Lease*”) to which the undersigned Landlord and Tenant are parties with respect to that certain home located at 6290 Cracklinatown Road, Hughesville, MD 20637 (“*Premises*”). Landlord and Tenant hereby agree to the following terms and provisions:

**1. NATURE OF MOLD GROWTH.** Mold is a type of fungi which occurs naturally in the environment and is necessary for the natural decomposition of plant and other organic material. It spreads by means of sharing in microscopic spores borne on the wind, and is found everywhere life can be supported. Most people are familiar with mold growth in the form of bread mold, and mold that may grow on bathroom tile. Residential home construction is not, and cannot be, designed to exclude mold spores. If the growing conditions are right, mold can grow in the Premises. In order to grow, mold requires a food source. This might be supplied by items found in the home, such as fabric, carpet, or even wallpaper, or by building materials, such as drywall, wood, and insulation, to name a few. Also, mold growth requires a temperate climate. The best growth occurs at temperatures between 40°F and 100°F. Most importantly, mold growth requires moisture.

**2. MOISTURE AND MOLD GROWTH.** Moisture availability is the only mold growth factor that can be controlled in a residential setting. By minimizing moisture, Tenant can reduce or eliminate mold growth. Moisture in the home can have many causes. Spills, leaks, overflows, condensation, and high humidity are common sources of home moisture. Good housekeeping and home maintenance practices are essential in the effort to prevent or eliminate mold growth. If moisture is allowed to remain on the growth medium, mold can develop within 24 to 48 hours. If moisture sources are not removed or addressed, mold will continue to grow. All mold growth is not necessarily harmful, but mold has been linked with adverse health effects in susceptible persons. The most common effects are allergic reactions, including skin irritation, watery eyes, runny nose, coughing, sneezing, congestion, sore throat and headache. However, there are no specific mold cleanup levels or established numerical abatement standards for mold remediation. The most effective remedy for mold is to remove the source(s) of excess water or continuing moisture intrusion.

**3. STEPS TO REDUCE MOLD GROWTH.** Mold growth depends largely on how Tenant maintains the Premises. Tenant shall take action to prevent conditions which cause mold, mildew or moisture build-up, and minimize any effects that may be caused by mold growth, including the following actions:

- Before bringing items into the Premises, Tenant shall check for signs of mold on the items. For example, potted plants (roots and soil), furnishings, or stored clothing and bedding material, as well as many other household goods, could already contain mold growth.
- Regular vacuuming and cleaning will help reduce mold levels. Mild bleach solutions and most tile cleaners are effective in eliminating or preventing mold growth if used in accordance with the manufacturer’s recommendations.
- Keep the humidity in the Premises low. Vent clothes dryers to the outdoors. Ventilate kitchens and bathrooms by opening the windows, by using exhaust fans, or by running the air conditioning to remove excess moisture in the air, and to facilitate evaporation of water from wet surfaces.
- Promptly clean up spills, condensation, and other sources of moisture. Thoroughly dry any wet surfaces or material. Do not let water pool or stand in the home. Promptly replace any materials that cannot be thoroughly dried, such as drywall or insulation.
- Inspect for leaks on a regular basis. Look for discolorations or wet spots. Repair any leaks promptly. Empty water from condensation pans (refrigerators and air conditioners). Take notice of musty odors, and any visible signs of mold.
- Should mold develop, thoroughly clean the affected area. First, test to see if the affected material or surface is color safe. Porous materials, such as fabric, upholstery, or carpet should be discarded. Should the mold growth be substantial, contact Landlord for further direction on the use of services from a qualified mold abatement professional.

**4. FURTHER INFORMATION AND RESOURCES.** The U.S. EPA provides information and numerous resources regarding excess water, moisture intrusion and mold: <http://www.epa.gov/mold/>. The U.S. Centers for Disease Control and Prevention also provide details about mold growth and human health: <http://www.cdc.gov/mold/>.

**5. DUTIES OF TENANT.** Tenant agrees to assume responsibility for following the recommendations set forth in this Addendum. It is the responsibility of Tenant to take action to reduce or eliminate the occurrence of mold growth in the home. Tenant’s failure to take preventative actions may reduce or preclude Landlord’s responsibility for water damage or water intrusion. If there is any water damage or water intrusion to the Premises, Tenant shall take prompt action to prevent conditions which cause

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Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham

Premises Address: 6290 Cracklinatown Road, Hughesville, MD 20637  
 Lease-RTP-MD: 2020-03

mold growth to develop. Tenant shall **immediately** notify Landlord in writing of water intrusion or mold and allow Landlord the opportunity to inspect the problem. Failure to notify Landlord of water intrusion or water damage or mold and/or the failure of Tenant to allow Landlord access to the Premises for the purpose of inspection, evaluation and/or corrective action shall be an affirmative defense to any Claims by Tenant arising from water damage or water intrusion.


**6. NO REPRESENTATIONS.** Tenant acknowledges and accepts that, except as expressly contained in the Lease, as provided to Tenant in a writing signed by Landlord or as required by Applicable Law, Landlord and Landlord’s Agents (i) have not made any representations, warranties nor indemnifications, either expressed or implied, as to (a) the physical condition of the Premises, nor (b) indoor air quality conditions (including the presence or absence of Substances [defined below]) at the Premises, and (ii) are not responsible in any way for conditions that may exist at the Premises or health problems or property damage that might develop from or be related to such conditions or Substances. Naturally occurring radon, molds, fungi, spores, pollens and/or botanical substances or other allergens (e.g., dust, pet dander, insect waste material, etc.) may be found in a home, including radon and mold. In addition, certain building materials (such as asbestos, urea-formaldehyde foam insulation (“UFFI”) and drywall—also known as wallboard, gypsum board or plasterboard manufactured in China (“Chinese Drywall”)) have been linked to health concerns and/or property damage. These are all collectively referred to as “Substances.” To the greatest extent permitted by Applicable Law, Tenant (for itself and all others claiming through Tenant) hereby releases Landlord Indemnitees (and prior owners) from any claims or liability relating to the presence or non-disclosure of Substances in or about the Premises. Tenant is directed to consult the U.S. Environmental Protection Agency website at [www.epa.gov](http://www.epa.gov) or the equivalent state environmental/health services agency if additional information concerning indoor air quality and Substances is desired.

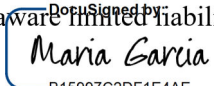
**7. LIMITATIONS ON LANDLORD LIABILITY.** To the maximum extent allowed under Applicable Laws, Tenant acknowledges and agrees that Landlord shall not be liable for (and hereby releases Landlord from) any and all Claims with respect to the presence and/or existence of molds, mildew, and/or microscopic spores unless caused by the sole gross negligence or willful misconduct on the part of Landlord. To the extent Landlord may be liable, if at all, Tenant, on behalf of itself, and any Occupants, hereby indemnifies Landlord Indemnitees from and against any and all Claims for property damage, injury, or death resulting from the exposure to microscopic spores, mold, fungi, and/or mildew and from any loss of resale value due to the presence and/or existence of mold, mildew and/or microscopic spores; provided, however, that in no event is Tenant indemnifying Landlord as a result of the presence and/or existence of mold, mildew, and/or microscopic spores if caused by the sole gross negligence or willful misconduct on the part of Landlord; provided, however, nothing contained in this Lease shall require indemnification of or a release of Landlord to the extent same is prohibited by or would constitute a violation of Applicable Law.

**8. CONFLICT/LEASE.** This Addendum is incorporated into the Lease as though fully set forth therein and in case of a conflict between the provisions of this Addendum and any provisions of the Lease, the provisions of this Addendum shall govern and control. Capitalized terms used in this Addendum which are not otherwise defined herein shall have the meanings ascribed thereto in the Lease. This Addendum may be executed in one or more counterparts, each of which shall be deemed an original. This Addendum shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

**Tenant: It is important that you carefully inspect the Premises for mold before the Commencement Date and identify any problems to Landlord. To minimize the likelihood of mold it is important that you read and follow the requests and recommendations in this Addendum.**

IN WITNESS WHEREOF, the parties hereto have executed this Mold Addendum as of the Effective Date.

DocuSigned by:   
Tenant: Marcus Wendall Durham  
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DocuSigned by: Marcus Wendall Durham  
Trinity Durham  
D3C9AF5506A64E7...  
DocuSigned by: Ayoka A Ross-Durham  
Name: Ayoka A Ross-Durham  
Jordan M Durham  
1282D3C9CA1A421...  
DocuSigned by: Jordan M Durham  
Name: Jordan M Durham  
E4C0EDA175D948B...  
Name: Tyrique K Durham

**Landlord:**  
HP Maryland I LLC  
a Delaware limited liability company  
DocuSigned by:   
B15997C2DF1E4AE...  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: Authorized Agent

Tenant Name: Marcus Wendall Durham Ayoka A Ross-Durham Jordan M Durham Tyrique K Durham

Premises Address: 6290 Cracklinatown Road, Hughesville, MD 20637  
Lease-RTP-MD: 2020-03

**COMMENCEMENT DATE NOTIFICATION**

This Commencement Date Notification to Residential Lease & Right to Purchase ("Notification") is being delivered to Marcus Wendall Durham Avoka A Ross-Durham Jordan M Durham Tyrique K Durham ("Tenant") by Landlord pursuant to that certain Residential Lease Agreement ("Lease") and that certain Residential Right to Purchase Agreement ("RTP Agreement") and together with the Lease, the "Agreements") to which the undersigned Landlord ("Landlord") and Tenant are parties with respect to that certain home located at 6290 Cracklintown Road, Hughesville, MD 20637 ("Premises"). Capitalized terms which are used in this Notification but are not defined herein shall have the meaning ascribed thereto in the Agreements.

1. The Commencement Date of the Lease is 09/04/2021.
2. The Initial Term of the Lease (i.e., Year 1) shall expire on 09/03/2022.
3. The First Renewal Term shall begin on 09/04/2022 (the "First Renewal Term Start Date").
4. The Pro-Rated Rent for the month in which the Commencement Date occurs is \$ 2628.00 and is due on or before 09/04/2021 ("Pro-Rated Rent Due Date").
5. If the Commencement Date and/or the Initial Term set forth in this Notification is different from the dates set forth in the Agreements, then the dates contained in this Notification shall supersede and control (e.g., if the Lease states that the Estimated Commencement Date is March 1, 2020 but the Commencement Date does not in fact occur until March 5, 2020, then the March 5, 2020 date contained in the Notification shall be the date used to calculate the Initial Term, Renewal Terms and all other dates which are calculated from the Commencement Date). The Agreements shall continue in full force and effect, subject to the terms and provisions of this Notification.
6. Landlord hereby acknowledges receipt of a Security Deposit from Tenant in the total amount of \$ 5840.00 and this statement shall constitute a receipt for purposes of Applicable Law.
7. Tenant has been provided with a Condition Form ("Condition Form") for the Premises and has had the opportunity to note any defects or damage relating to the Premises on the Condition Form before returning same to Landlord. **Tenant must return the Condition Form to Landlord within three (3) Business Days after the Commencement Date** in accordance with the Lease -- any damage to the Premises beyond normal wear and tear which is not so noted by Tenant on the Condition Form will be presumed to have been caused by Tenant.

**Landlord:**

HP Maryland I LLC  
a Delaware limited liability company

DocuSigned by:  
Maria Garcia  
By: B45897C2DF4E4AE...  
Name: Maria Garcia  
Title: Authorized Agent  
8/24/2021  
Date: \_\_\_\_\_



ASBESTOS ADDENDUM

Tenant is renting from Landlord the Premises/Residence located at:

6290 Cracklingtown Road

in the Community of Hughesville MD 20637

Before 1981, asbestos was commonly used in construction. The Residence was built before 1981.

Landlord knowledge of asbestos hazards in the Residence or Community:

X (If checked) Landlord has no knowledge of any asbestos hazards in the Residence or Community, but because of the age of the Residence and Community it is possible that they exist at the Residence or Community.

[ ] (If checked) Landlord is aware of the following asbestos hazards in the Residence or Community:

Reports or records pertaining to asbestos hazards in the Residence or Community:

X (If checked) Landlord is not aware of any reports or records pertaining to asbestos hazards in the Residence or Community.

[ ] (If checked) The following reports or records pertaining to asbestos hazards in the Residence or Community are available:

Copies of the reports or records identified are available for Tenant's review at

Asbestos is a chemical known to cause cancer. Disturbing or damaging certain interior Residence or Community surfaces may increase the potential exposure to asbestos. Tenant may not pierce, damage, disturb, or remove any portions of the Residence or Community known or suspected to contain asbestos. Tenant must notify Landlord immediately in writing if any portion of the Residence or Community known or suspected to contain asbestos are pierced, damaged, disturbed or removed.

7/27/2021
Date:

Marcus Wendall Durham
57685CBE97B3405...

Name: Marcus Wendall Durham

Marcus Durham

D3C9AF5506A64E7...

7/27/2021
Date:

Name: Aysha A Ross-Durham

Jordan M Durham

1282D3C9CA1A421...

7/27/2021
Date:

Name: Jordan M Durham

Tyrique K Durham

E4C0EDA175D948B...

7/28/2021
Date:

Name: Tyrique K Durham

DocuSigned by:
T.D.
F4874639E50946E...

7/27/2021 Trinity Durham

DocuSigned by:
HP Maryland LLC
Maha Garcia

By: B15997C2DF1E4AE...

Name:

Its: Authorized Agent



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

**Lead Warning Statement**

Housing built before 1978 may contain lead-based paint. Lead from paint, paint chips, and dust can pose health hazards if not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, lessors must disclose the presence of known lead-based paint and/or lead-based paint hazards in the dwelling. Lessees must also receive a federally approved pamphlet on lead poisoning prevention.

**Lessor's Disclosure**

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

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

<sup>DS</sup> MG

(ii)  Lessor has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the lessor (check (i) or (ii) below):

(i)  Lessor has provided the lessee with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

<sup>DS</sup> MG

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

**Lessee's Acknowledgment (initial)**

(c)  <sup>DS</sup> MG MD Lessee has received copies of all information listed above.

(d)  <sup>DS</sup> MG MD Lessee has received the pamphlet *Protect Your Family from Lead in Your Home*.

**Agent's Acknowledgment (initial)**

(e)  Agent has informed the lessor of the lessor'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 they have provided is true and accurate.

<sup>DocuSigned by:</sup>  
Maria Garcia

<sup>DocuSigned by:</sup>  
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<sup>DocuSigned by:</sup>  
Marcus Wendall Durham Date

<sup>DocuSigned by:</sup>  
57685CBE97B3405...

Lessee Date

Agent Date

<sup>DocuSigned by:</sup>

Marcus Durham

<sup>DocuSigned by:</sup>  
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Lessee Date

Agent Date



**AIR FILTER ADDENDUM**



As part of the consideration for the execution of a lease of the Premises identified in the Residential Lease Agreement (“Lease”) to which the undersigned Owner and Resident are parties and to which this Air Filter Addendum to Residential Lease Agreement (“Air Filter Addendum”) is attached, subject to applicable laws, Owner and Resident hereby agree that this Air Filter Addendum expressly amends the Lease as follows:

Resident agrees to pay Owner a monthly Utility & Maintenance Reduction Program fee of \$15 payable without demand with rent on or before the (1st) first day of each calendar month.

**UTILITY & MAINTENANCE REDUCTION PROGRAM:** With Resident’s monthly payment HVAC filters will be delivered to their home approximately every 60 days under the Utility & Maintenance Reduction Program. Resident shall properly install the filter(s) provided within two (2) days of receipt. Resident hereby acknowledges that the filters will be dated and subject to inspection by Owner upon reasonable notice to verify replacement has been timely made. If at any time Resident is unable to properly or timely install a filter Resident shall immediately notify Owner in writing. Resident’s failure to properly and timely replace filters is a material breach of this Agreement and Lease and Owner shall be entitled to exercise all rights and remedies it has against Resident and Resident shall be liable to Owner for all damages to the property or HVAC system caused by Resident’s neglect or misuse.

IN WITNESS WHEREOF, the parties hereto have executed this Air Filter Addendum as of the Effective Date.

DocuSigned by:  
**Resident:**  
*Marcus Wendall Durham*  
 57685CBE97B3405...  
 DocuSigned by:  
 \_\_\_\_\_  
 Name: **Marcus Durham**  
 D3C9AF5506A64E7...  
 DocuSigned by:  
 \_\_\_\_\_  
 Name: *Ayoka A Ross-Durham*  
 1282D3C9CA1A421...  
 DocuSigned by:  
 \_\_\_\_\_  
 Name: *Jordan M Durham*  
 E4C0EDA175D948B...  
 \_\_\_\_\_  
 Name: Tyrique K Durham

**Owner:**  
 HP Maryland I LLC ,  
 a Delaware limited liability company  
 By: Pathlight Property Management, its authorized  
 agent  
 DocuSigned by:  
*Maria Garcia*  
 B15997C2DF1E4AE...  
 By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: Authorized Agent

DocuSigned by:  
*T.D.*  
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 Trinity Durham

**What is Second Nature?**

Second Nature is a service that is partnered with Pathlight Property Management to deliver air filters directly to your home in a way that ensures the best care for your HVAC system and in turn, the air quality in your home. Each shipment contains the exact number of high-quality filters your home needs, at the time you need to change them. This acts as a physical reminder that it is time to switch your filter.

**Why do I need to change my furnace filter?**

Changing filters keeps your HVAC system functioning properly and ensures that you have the best possible air quality in your home. A dirty filter is the #1 reason for HVAC system failures. It restricts the airflow into your HVAC systems air handler, which then strains, and oftentimes burns out the motor controlling airflow. Having a clean air filter also assists in the energy efficiency of your HVAC unit, which helps to cut costs on your energy bill.

**How often will I receive my filter(s)?**

Filters will be sent directly to your door every 60 days, unless your HVAC system has different requirements.

**Do I install the filter myself?**

Yes! Once received, you will remove and dispose of your old filter(s) and replace it with the new filter(s). There will be instructions in your shipment on how to locate and change your filter(s).

**Where is my air filter located?**

There are several ways to locate your air filter(s):

1. Check your home for a return grate. This is usually found inside on a wall or ceiling. Opening the grate will allow you to access the filter.
2. Some filters are located directly at/in the HVAC unit. Looks for a 1-5 inch wide hinge or removable cover. Opening this compartment will allow you to access the filter.

**NOTE:** Air filters should be placed at one location or the other, not both.

**Why am I paying this monthly when I get filter shipments bi-monthly?**

Balances are collected on a monthly basis right alongside rent so that you only have to take the time once per month to pay what's on your ledger.

**Why do I have to pay for this?**

Pathlight residents are responsible for cost and replacement of HVAC filters. Keeping this in mind, our goal is to make the process as easy as possible for you to remember by sending the filters right to your door.

**Can I opt-out of changing filters?**

Air filter maintenance is an important part of caring for your home. A dirty HVAC filter is the #1 cause of



system malfunction, which can result in an uncomfortable living environment for you and your family. There is not an opt-out option for this program, as it is designed to ensure that the air quality in your home is safe, and your system is functioning properly. If there is a problem with the HVAC system, we will be able to easily rule out a filter issue if they are being replaced on a regular schedule.

**Shipment didn't arrive/Wrong Size/Damaged shipment:**

Contact Second Nature customer care at the 1-800 number with your name and address so they can look into it for you. If there was an error, it will be taken care of promptly.

**Will I be notified when the filter(s) has been shipped?**

Yes, we will email you when your shipment has left our warehouse. You'll be able to track your shipment throughout its journey before arriving on your doorstep.

**What if I have asthma or another condition and need an upgraded filter:**

Pathlight will be happy to upgrade you to a super allergen grade filter at no additional cost. Please let us know if you have a need for an upgraded filter, as we want to ensure you have the best possible living conditions in your home.



**RESIDENTIAL RIGHT TO PURCHASE AGREEMENT  
(HOME PARTNERS MARYLAND)**

**This Residential Right to Purchase Agreement** (the “Right to Purchase Agreement,” “RTP Agreement” or “Agreement”) is made and entered into as of the date set forth on the signature page hereof by and among the person(s) identified on the signature page hereof as the Purchase Right Holder (individually or if more than one person is named, collectively, “Purchase Right Holder”) and the Landlord identified on the signature page hereof, as seller (herein, “Landlord” or “Seller”).

**WHEREAS**, concurrently with the execution of this Agreement, Seller, as landlord, has entered into a Residential Lease Agreement of approximately even date herewith (the “Lease”) with Purchase Right Holder and the additional other tenants, if any, who are named therein (collectively, the “Tenant”), as tenant, upon the terms and conditions contained therein with respect to the real property having a street address of 6290 Cracklingtown Road, Hughesville, MD 20637 and which is legally described on Exhibit B attached hereto (together with improvements thereon now or hereafter owned by Seller, the “Premises”). Capitalized terms used in this Agreement which are not otherwise defined herein shall have the meanings ascribed to them in the Lease; and

**WHEREAS**, Purchase Right Holder and Seller desire to enter into this Agreement with respect to the Premises upon the terms and conditions contained herein.

**NOW, THEREFORE**, in consideration of the mutual covenants and obligations stated herein and in the Lease and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree that the recitals set forth above are incorporated into this Agreement as though fully set forth below, and otherwise agree as follows:

1. **RIGHT TO PURCHASE.** Subject to the terms and conditions of this Agreement, Seller hereby grants to Purchase Right Holder the right to purchase the Premises (the “Purchase Right”) during the Term of the Lease at the purchase price which is set forth on Exhibit A attached hereto which corresponds to the actual Closing Date (defined below) (as applicable, the “Purchase Price”) and in accordance with the terms and conditions which are contained in this Agreement and the Real Estate Sale Contract (or successor form reflecting substantially similar terms) attached hereto as Exhibit C including any addenda attached hereto or thereto or disclosures that may be provided relative thereto (such Real Estate Sale Contract, together with such addenda or disclosures, is referred to as the “Purchase Contract”). The Purchase Price may be further adjusted in accordance with Paragraph 22 below. The Purchase Right is expressly conditioned upon Purchase Right Holder’s compliance with each the following conditions:
  - a. If Purchase Right Holder wishes to exercise its Purchase Right, Purchase Right Holder must notify Seller in writing of its election to exercise such Purchase Right (“Exercise Notice”) at least thirty (30) but no more than sixty (60) calendar days prior to the proposed Closing Date (which proposed Closing Date must be identified in the Exercise Notice). If the Purchase Right Holder consists of more than one (1) person, then the Exercise Notice shall not be valid unless all persons constituting Purchase Right Holder shall sign the same Exercise Notice (it being understood and agreed that such Exercise Notice may be signed in counterparts, but all shall be delivered to Seller simultaneously). Provided that all steps and conditions specified below are met, title to the Premises shall be transferred to such persons who are identified as the purchasers in such Exercise Notice (collectively, “Purchasers”), as tenants in common, unless otherwise designated in the Exercise Notice or in the Executed Purchase Contract (defined below), upon the terms specified below. Furthermore, if less than all Purchase Right Holders sign an Exercise Notice, it will be of no force or effect.
  - b. At the time of delivery of the Exercise Notice and continuing through the Closing Date, (i) Purchase Right Holder shall not be in default or have defaulted in the performance of any of its obligations under this Agreement

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Jordan M Durham

Tyrique K Durham

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(beyond expiration of applicable notice and cure periods) and (ii) Tenant shall not then be in default in the performance of any of its obligations under the Lease (beyond expiration of applicable notice and cure periods); otherwise, in either event, at Landlord's option and upon notice to Purchase Right Holder, the Exercise Notice shall be of no force or effect.

- c. At the time of delivery of the Exercise Notice and continuing through the Closing Date (subject to Paragraph 1(f).ii.), the Lease shall not have expired or been terminated; otherwise, the Exercise Notice shall be of no force or effect.
- d. Within ten (10) days after delivery of the Exercise Notice, Purchaser must execute and deliver (i) to Seller counterparts (originals if required by Seller) of the Purchase Contract reflecting the Purchase Price (as adjusted pursuant to this Agreement and/or the Lease) as of the proposed Closing Date (such agreement, once fully executed and delivered by Seller, the "*Executed Purchase Contract*") together with (ii) the \$1,000 earnest money deposit required by the Purchase Contract, in good and collectible funds, made payable and delivered to Seller or as Seller shall otherwise direct. **Notwithstanding anything contained in this Agreement to the contrary, in the event that any of the conditions contained in this Paragraph 1 has not been completely satisfied at the time Seller receives either the Exercise Notice or the Purchase Contract signed on behalf of the Purchaser, then Seller shall not be obligated to execute the submitted Purchase Contract and the Exercise Notice shall be deemed invalid for all purposes. In the event that Seller does not execute and return to Purchaser the Executed Purchase Contract as aforesaid, then Seller shall refund the earnest money deposit made by Purchase Right Holder pursuant to this Subparagraph 1.d.**
- e. Purchase Right Holder shall not have the right to assign any of their rights under this Agreement or the Executed Purchase Contract it being understood and agreed that only the persons identified in this Agreement as the Purchase Right Holder shall be named as Purchaser in the Purchase Contract, and Purchase Right Holder shall not be permitted to name additional purchasers to the Purchase Contract nor remove any person identified as a Purchase Right Holder; provided, however, that notwithstanding the foregoing, if more than one person is identified in this Agreement as the Purchase Right Holder, then all (but not less than all) of the Purchase Right Holders identified in this Agreement may designate a subset of Purchase Right Holders to be Purchaser in the Purchase Contract provided that such designation is contained in the Exercise Notice signed by all of the Purchase Right Holders and all (but not less than all) of the Purchase Right Holders agree to execute such documents or instruments as may be necessary to effectuate such designation in connection with the Closing (defined below).
- f. The closing date pursuant to the Executed Purchase Contract (the "*Closing Date*") shall be a date that is mutually agreed to by Purchaser and Seller, but shall be a date that is:
- i. no sooner than thirty (30) but no more than sixty (60) days after the date of delivery of the Exercise Notice provided that the Executed Purchase Contract is fully executed no less than ten (10) days after the Exercise Notice; and
  - ii. no later than the scheduled Expiration Date of the Term of the Lease; provided, however, in the event that the Closing Date is scheduled for, or is delayed such that it will actually occur after the scheduled Expiration Date of the current Term of the Lease (but in no event beyond the last day of the Fourth Renewal Term of the Lease), then:
    - A. the Term of the Lease shall automatically be extended for the subsequent Renewal Term of the Lease (should one remain) and any termination notice given by Tenant pursuant to Section 3 of the Lease shall automatically and irrevocably be deemed to have been rescinded by Tenant; and

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- B. the Purchase Price shall be adjusted pursuant to the terms of this Agreement to reflect the actual Closing Date.

Notwithstanding anything contained in the Lease or this Agreement to the contrary, the Term of the Lease shall automatically terminate and expire (and such date shall become the "Expiration Date" under the Lease for all purposes) effective as of the earliest to occur of: (I) the actual Closing Date, (II) the last day of the Fourth Renewal Term of the Lease, and (III) such other Expiration Date as may be provided in the Lease, it being understood and agreed that any holdover of the Premises beyond the date set forth in this paragraph shall be subject to the holdover provisions contained in the Lease.

- g. **The Purchase Right (and the Executed Purchase Contract if same shall have been entered into) shall, at Seller's option and upon notice to Purchase Right Holder, terminate, become null and void and of no force or effect (subject to Applicable Laws [as defined in the Lease]), upon the occurrence of any of the following:**
- i. Purchase Right Holder fails to duly deliver an Exercise Notice to Seller in accordance with this Agreement at least sixty (60) days prior to the scheduled Expiration Date of the Lease (subject to Paragraph 1.f.ii above) but in all events at least sixty (60) days prior to the last day of the Fourth Renewal Term of the Lease;
  - ii. Purchase Right Holder defaults under this Agreement including, without limitation, if the Purchase Right Holder violates the restrictions on who may be named as Purchaser in the Purchase Contract, the restrictions against changing the person(s) named as Purchaser in the Executed Purchase Contract, or the restrictions on transfer of the Purchase Right set forth herein;
  - iii. Purchaser assigns or attempts to assign any rights it may have in the Executed Purchase Contract, except as expressly allowed in this Agreement;
  - iv. Tenant assigns or attempts to assign the Lease or any interest therein, sublets or attempts to sublet (whether Landlord consents to same or not) all or any portion of the Premises, or issues or attempts to issue a license to use all or any portion of the Premises, in violation of the Lease;
  - v. Tenant has defaulted under its obligations under the Lease and such default has not been cured within any applicable notice and cure periods, if the Lease has expired or is terminated for any reason or if Tenant has been lawfully evicted from the Premises; or
  - vi. Upon failure of the Closing to occur within thirty (30) days after the initially scheduled Closing Date due to Purchaser's default under the Executed Purchase Contract (but in no event later than the last day of the Fourth Renewal Term of the Lease).

In the event the first Executed Purchase Contract is terminated by the Purchaser as a result of the Appraisal Contingency contained therein, then (and only then) shall Purchase Right Holder have the right to submit a second (2<sup>nd</sup>) Exercise Notice in accordance with the terms of this Agreement (and execute a second Purchase Contract). For clarification purposes, Purchase Right Holder shall be entitled to issue an Exercise Notice no more than two (2) times provided that the initial Exercise Notice resulted in a termination of the Executed Purchase Contract due to an Appraisal Contingency. It shall be irrelevant that any such Exercise Notice may be deemed invalid, revoked, of no force or effect, void or terminated pursuant to the terms of this Agreement.

- h. Upon Closing, (A) Landlord or Seller, as the case may be, shall credit Purchaser against the Purchase Price an amount equal to (i) any unapplied Security Deposit then held by Landlord under the Lease (subject to permitted setoffs), (ii) a pro-rated amount of any prepaid Rent as of the Closing Date, plus (iii) any other amounts which Landlord has expressly agreed to credit to Tenant in accordance with the terms of the Lease and (B) all such

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amounts so applied or credited shall automatically be deemed to have been returned to the Tenant under the Lease and Landlord shall, except as expressly otherwise provided by Applicable Law, have no further obligation to account for same to the Tenant under the Lease. However, at least five (5) days prior to the scheduled Closing Date, Purchase Right Holder shall have the right to direct Seller in writing to refund the Security Deposit and prepaid Rent to the Tenant in accordance with the terms of the Lease, in lieu of such credit.

- i. The Purchase Right is personal to Purchase Right Holder. Purchase Right Holder shall not permit the transfer, assignment or other conveyance (including by operation of law) of all or any interest in the Purchase Right or in this Agreement, except as otherwise expressly stated in this Agreement. Likewise, Purchaser shall not have the right to assign any right or interest it may have in and to the Executed Purchase Contract.
- j. Notwithstanding anything contained in this Agreement to the contrary, Purchase Right Holder's delivery of the Exercise Notice or Purchaser's entering into an Executed Purchase Contract shall not extinguish or release Purchase Right Holder or any Tenant from any liability or obligations under this Agreement or the Lease, as applicable, including but not limited to the obligation to pay Rent through the last day of the Term of the Lease. Landlord shall have the right to collect all outstanding payments due under the Lease as a condition of consummating the Closing.

Each of the terms and conditions contained in this Paragraph 1 must be fully satisfied in order for the Purchase Right Holder to validly exercise the Purchase Right and for the Purchaser to consummate the Closing. The consummation of the purchase of the Premises by Purchaser pursuant to the Executed Purchase Contract is referred to as the "Closing".

2. **CONDITION OF PREMISES.** EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES OF SELLER EXPRESSLY SET FORTH IN THIS AGREEMENT OR IN ANY OTHER DOCUMENT EXECUTED BY SELLER PURSUANT TO THIS AGREEMENT OR THE EXECUTED PURCHASE CONTRACT, AND TO THE GREATEST EXTENT ALLOWED BY APPLICABLE LAW, (A) PURCHASE RIGHT HOLDER, FOR ITSELF AND ON BEHALF OF PURCHASER, REPRESENTS, WARRANTS AND ACKNOWLEDGES THAT PURCHASER IS PURCHASING THE PREMISES IN ITS "**AS-IS, WHERE-IS, WITH ALL FAULTS**" CONDITION AS OF THE DATE OF EXECUTION OF THE EXECUTED PURCHASE CONTRACT AND THE CLOSING DATE AND SPECIFICALLY AND EXPRESSLY WITHOUT ANY WARRANTIES, REPRESENTATIONS OR GUARANTEES, EITHER EXPRESS OR IMPLIED, AS TO ITS CONDITION, FITNESS FOR ANY PARTICULAR PURPOSE, MERCHANTABILITY, HABITABILITY OR ANY OTHER WARRANTY OF ANY KIND, NATURE, OR TYPE WHATSOEVER FROM OR ON BEHALF OF SELLER; (B) SELLER SPECIFICALLY DISCLAIMS ANY WARRANTY, GUARANTY OR REPRESENTATION, ORAL OR WRITTEN, PAST OR PRESENT, EXPRESS OR IMPLIED, CONCERNING THE PREMISES; AND (C) PURCHASE RIGHT HOLDER, IN ITS CAPACITY AS TENANT UNDER THE LEASE, SHALL BE DEEMED TO BE FULLY AWARE OF THE CONDITION OF THE PREMISES AND ACKNOWLEDGES THAT IT SHALL HAVE HAD AMPLE OPPORTUNITY TO INSPECT THE PREMISES PRIOR TO ISSUANCE OF THE EXERCISE NOTICE AND THE EXECUTION OF THE PURCHASE CONTRACT AND, TO THE EXTENT THAT THE PREMISES HAS BEEN DAMAGED PRIOR TO CLOSING, PURCHASE RIGHT HOLDER (AND PURCHASER) SHALL BE DEEMED TO HAVE CONSENTED TO AND/OR CAUSED SUCH DAMAGE AND TO ACCEPT THE PREMISES IN ITS DAMAGED CONDITION AS OF THE CLOSING. IN FURTHERANCE THEREOF, TO THE GREATEST EXTENT ALLOWED BY APPLICABLE LAW, SELLER SHALL HAVE NO OBLIGATION UNDER THIS AGREEMENT OR THE EXECUTED PURCHASE CONTRACT TO REPAIR OR RESTORE THE PREMISES. PURCHASE RIGHT HOLDER ACKNOWLEDGES AND AGREES THAT: (I) THE PURCHASE PRICE WAS NEGOTIATED WITH THE EXPRESS UNDERSTANDING THAT PURCHASE RIGHT HOLDER IS RESPONSIBLE FOR ALL PROPERTY MAINTENANCE NEEDS OF THE PREMISES PURSUANT TO THE LEASE (EXCEPT AS OTHERWISE EXPRESSLY PROVIDED IN THE LEASE OR APPLICABLE LAW TO THE CONTRARY), THIS AGREEMENT AND THE EXECUTED PURCHASE CONTRACT AND (II) **THE LEASE PROVIDES THAT THE TENANT (WHICH INCLUDES THE PURCHASE RIGHT HOLDER) WILL OCCUPY THE PREMISES DURING THE TERM OF THE LEASE,**

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**AND THE PARTIES HERETO EXPRESSLY CONTEMPLATE THAT TENANT/PURCHASE RIGHT HOLDER WILL THEREFORE BE IN A UNIQUE POSITION TO INVESTIGATE ALL MATTERS RELATED TO THE CONDITION OF THE PREMISES. ALL OBLIGATIONS SELLER MAY HAVE IN ITS CAPACITY AS LANDLORD UNDER THE LEASE TO REPAIR OR RESTORE THE PREMISES DURING THE TERM OF THE LEASE, WHETHER FULFILLED OR UNFULFILLED, SHALL EXPIRE UPON CLOSING; ACCORDINGLY, SELLER SHALL HAVE NO OBLIGATION UNDER THIS AGREEMENT OR OTHERWISE TO REPAIR OR RESTORE ALL OR ANY PART OF THE PREMISES AFTER CLOSING, EXCEPT AS OTHERWISE PROVIDED BY APPLICABLE LAW.**

Purchase Right Holder acknowledges and agrees that it is familiar with and has been provided with each of the disclosures identified in the Lease and that same shall be deemed to be incorporated into this Agreement and the Executed Purchase Contract by this reference without the necessity of attaching same hereto or thereto.

Seller shall not discriminate against Purchase Right Holder in the provision of services or in any other manner on the basis of race, religion, sex, national origin, familial status or disability, nor on the basis of any class protected by Applicable Law.

3. **SUBORDINATION.** This Agreement and Purchase Right Holder's interest in this Agreement are and shall be subject to and subordinate, junior and inferior to any and all Liens (as defined in the Lease and to the extent not prohibited by Applicable Laws) now or hereafter affecting the Premises and to any and all advances now or thereafter made under any such Liens (including future advances) and the interest payable on such Liens and to any existing or future deeds placed on the Premises. Purchase Right Holder will execute such instruments evidencing such subordination and attornment at Seller's request. If Purchase Right Holder fails to comply with such request, Purchase Right Holder hereby irrevocably empowers and appoints Seller his/her attorney-in-fact to do so in Purchase Right Holder's name and on Purchase Right Holder's behalf. Such power shall be deemed to be coupled with an interest and shall be irrevocable.
4. **TIME IS OF THE ESSENCE.** Purchase Right Holder agrees that time is of the essence for the performance of each and every covenant, term, agreement and condition contained in this Agreement and the Executed Purchase Contract (including but not limited to delivery of notices and payment obligations) by or on behalf of the Purchase Right Holder and Purchaser and that each of them shall be held in strict compliance with the same.
5. **DEFAULT.** If Purchase Right Holder fails to comply with any of the provisions of this Agreement, if Purchaser defaults in any of its obligations under the Executed Purchase Contract, or if any Tenant fails to comply with any of the provisions of the Lease, and such failure or default is not cured within applicable notice and cure periods, if any, then (a) Seller shall have the right, upon notice to Purchase Right Holder, to terminate this Agreement, the Lease and/or the Executed Purchase Contract, or any of them, and (b) a default under any one of the Lease, this Agreement and the Executed Purchase Contract shall constitute a default under all of them and shall afford Landlord the right to exercise any or all of Seller's or Landlord's rights and remedies applicable thereto, at law or in equity. See also Paragraph 21 of this Agreement.
6. **ATTORNEYS' FEES.** If at any time after the date of this Agreement, either party institutes any action or proceeding (including an arbitration proceeding) against the other relating to the provisions of the Lease, this Agreement or any default under either of them or the Premises (whether founded in tort, contract, equity or to secure a declaration of rights thereunder), to the extent permitted by Applicable Law, the party not prevailing in the action or proceeding or appeal therefrom will reimburse the prevailing party for its reasonable attorneys' fees (not to exceed the sum of \$2,000.00 in the aggregate for any such action which amount shall be inclusive of (a) fees incurred at trial or arbitration, any appeal therefrom, or in connection with any bankruptcy proceedings, and (b) all costs and expenses incurred in connection with such action, proceeding, appeal or in collection of any judgment including expert fees, any post-judgment fees and costs). The term "prevailing party" shall include, without limitation, a party who

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substantially obtains or defeats the relief sought, as the case may be, whether by compromise, settlement, judgment, or the abandonment by the other party of its claim or defense.

7. **RECORDING OF AGREEMENT.** Neither Purchase Right Holder nor Purchaser shall record this Agreement or the Executed Purchase Contract (or any memorandum hereof or thereof) in the public records of any public office and should this provision be violated, then (a) same shall constitute a default under this Agreement and the Executed Purchase Contract, (b) Seller shall have the right to immediately terminate this Agreement, the Lease and/or the Executed Purchase Contract and shall be entitled to all of Seller's and Landlord's Rights and Remedies available at law or in equity and (c) Purchase Right Holder and Purchaser hereby irrevocably empower and appoint Seller his/her attorney-in-fact to record a termination of any such agreement in their name and on their behalf, such power shall be deemed to be coupled with an interest and shall be irrevocable.
8. **GOVERNING LAW; CONSTRUCTION; WAIVER OF TRIAL BY JURY.** This Agreement shall be governed, construed and interpreted by, through and in accordance with the laws of the state in which the Premises is located, without reference to its conflict of law's provisions. The parties hereto agree that any suit or proceeding arising under this Agreement shall be brought solely in a federal or state court serving the county in which the Premises is located. Each party consents to the jurisdiction of these courts and waives any objection to jurisdiction or venue. **EACH PARTY WAIVES THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, OR RELATED TO, THE SUBJECT MATTER OF THIS AGREEMENT, BUT ONLY TO THE EXTENT SUCH WAIVER IS NOT PROHIBITED BY APPLICABLE LAW.** It is understood and agreed that notwithstanding anything contained in this Agreement to the contrary, in the event that any of Seller's rights or remedies contained in this Agreement are subject to or are prohibited by the terms of Applicable Laws, then Seller's/Landlord's rights and remedies shall be limited so that they comply with and shall be subject to such Applicable Laws. Likewise, nothing contained herein is intended to limit or interfere with any rights which are expressly granted to Purchase Right Holder pursuant to Applicable Laws and which are considered by such laws to be non-waivable by Purchase Right Holder. In construing this Agreement and the Lease, no provision hereof or thereof shall require the performance or waiver of any obligation or right, as applicable, which would violate any Applicable Laws and any such provision shall be interpreted so as to comply therewith.
9. **SEVERABILITY.** If any clause, phrase, provision or portion of this Agreement or the application thereof, including without limitation, to any person or circumstance, shall, for any reason and to any extent, be invalid or unenforceable under applicable law, such event shall not affect, impair or render invalid or unenforceable, the remainder of this Agreement nor any other clause, phrase, provision or portion hereof, nor shall it affect the application of any clause, phrase, provision or portion hereof to other persons or circumstances, but instead the remainder shall remain in full force and effect as though any invalid or unenforceable part was not written into this Agreement and shall be enforced to the maximum extent permitted by law. The omission of initials on any page shall not invalidate this Agreement.
10. **SURVIVAL.** Except as otherwise expressly provided herein, nothing contained in this Agreement shall serve to extinguish any of Tenant's outstanding obligations under the Lease.
11. **CONSTRUCTION; SUCCESSORS; BINDING EFFECT.** The words "Landlord", "Tenant," "Purchaser" and "Purchase Right Holder" wherever used herein shall be construed to mean "Landlords," "Tenants," "Purchasers" and "Purchase Right Holders" in case more than one person constitutes either party to this Agreement. The covenants, obligations, conditions and agreements herein shall be binding upon and, to the extent expressly permitted in this Agreement, inure to the benefit of, their respective successors, heirs, executors, administrators and permitted assigns. The pronouns used herein shall include, where appropriate, either gender or both, singular and plural.
12. **DESCRIPTIVE HEADINGS.** The descriptive headings used herein are for convenience of reference only, and they are not intended to have any effect whatsoever in determining the rights or obligations of the parties hereto.
13. **NO WAIVER.** All remedies provided herein shall be cumulative. No waiver of a breach or default by Seller shall be deemed a continuing waiver. No indulgence, waiver, election or non-election by Seller under this Agreement or

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Landlord under the Lease shall affect such party's duties and liabilities hereunder or thereunder, as the case may be. No action or omission of Seller, including without limitation, making payments on behalf of Purchase Right Holder or Tenant, not enforcing or belatedly enforcing written notice requirements, rental due dates, acceleration, liens, or other of Seller's or Landlord's Rights and Remedies will be considered a waiver under any circumstances. Except when notice or demand is required by statute, Purchase Right Holder waives any notice and demand for performance from Seller if Purchase Right Holder defaults under this Agreement. Seller's exercising one remedy will not constitute an election or waiver of any other of Seller's or Landlord's Rights and Remedies. None of Seller's or Landlord's Agents is personally liable for any of Seller's contractual, statutory, or other obligations merely by virtue of acting on Seller's behalf, and all provisions regarding Seller's non-liability and non-duty apply to the same.

14. **COUNTERPART EXECUTION; MODIFICATION.** This Agreement and the Purchase Contract may be executed in one or more counterparts, each of which shall be deemed an original. Furthermore, executed counterparts of this Agreement or the Purchase Contract, any amendment hereto or thereto may be delivered by facsimile or other reliable electronic means (including emails of pdf/tif documents), and such facsimile or other electronic transmission shall be valid and binding for all purposes when transmitted to and actually received by the other party. Notwithstanding the foregoing, each party delivering executed documents by facsimile or other electronic means agrees to provide the other party with an original, hard copy of the relevant signed documents promptly after the request of the other party.
15. **ATTORNEY REVIEW.** Purchase Right Holder acknowledges that (a) it has received a copy of the Lease and the Purchase Contract, (b) it is familiar with the terms thereof and (c) it has had the opportunity to consult with its legal counsel regarding this Agreement, the Purchase Contract and the Lease, and that, accordingly, the terms of this Agreement, the Purchase Contract and the Lease are not to be construed against any party because of that party's role in drafting same or construed in favor of any party because that party failed to understand the legal effect of the provisions thereof.
16. **MULTIPLE PURCHASE RIGHT HOLDERS.** Each person constituting Purchase Right Holder is jointly and severally liable for all obligations under this Agreement. If one person constituting Purchase Right Holder violates its obligations under this Agreement, then all persons constituting Purchase Right Holder will be considered to have violated this Agreement. Each person constituting Purchase Right Holder acknowledges and agrees that Seller's requests and notices (including sale notices) sent to the person and address identified as the Purchase Right Holder Notice Recipient in Paragraph 17 below conclusively constitutes notice to all persons constituting Purchase Right Holder. The Purchase Right Holder Notice Recipient for Seller's requests and notices hereby acknowledges and agrees that he or she (and not Seller) is responsible for ensuring that all other persons constituting Purchase Right Holder receive all requests, notices to which they are entitled. Purchase Right Holder shall have the right to change the person then-designated as the Purchase Right Holder Notice Recipient pursuant to a notice signed by all of the persons constituting the Purchase Right Holder which identifies such new Purchase Right Holder Notice Recipient. In the event Seller receives conflicting notices from the various persons constituting Purchase Right Holder, Seller shall have the right to rely upon notices only from the person then-identified as the Purchase Right Holder Notice Recipient and to disregard all other notices. Purchase Right Holder agrees that it shall, at all times, cause the Purchase Right Holder Notice Recipient to be the same person who is identified as the Tenant Notice Recipient under the Lease.
17. **NOTICES.** Except as otherwise provided herein (including, without limitation, the provisions of Paragraph 16 concerning a multiple-person party), all notices required shall be in writing and shall be served by one party to the other party (each, a "*Notice*"). **If notice is required to be given to Seller, notice must be in writing and sent to Seller at the address set forth below.** Notice shall be given as required or permitted by Applicable Law and otherwise in the following manner: (a) by personal delivery of such Notice (in which event such Notice shall be effective on the date of such delivery); or (b) in the case of Notice to Purchase Right Holder, Seller shall have the right to provide Notice to Purchase Right Holder by posting the Notice upon the front door of the Premises and, if required by Applicable Law, mailing a copy; or (c) by mailing of such Notice to the addresses contained herein by U.S. regular mail or U.S. registered or certified mail, return receipt requested (except as otherwise provided herein,

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Notice served pursuant to this subclause (c) shall be effective three (3) Business Days after the date of mailing); or (d) Notice shall be effective as of date and time of receipt of a facsimile transmission, provided that the Notice transmitted shall be received on a Business Day and during Business Hours (in the event such Notice is received either on a non-Business Day or during non-Business Hours, the effective date and time of receipt of such Notice shall be 9:00 a.m. **Central Time** of the first Business Day after receipt); or (e) Notice shall be effective as of date and time of electronic mail transmission of a Notice, provided that the Notice transmitted shall be sent on a Business Day during Business Hours and recipient shall have acknowledged such transmission (in the event an electronic mail transmission Notice is transmitted either during non-Business Hours or a non-Business Day, the effective date and time of Notice shall be 9:00 a.m. **Central Time** of the first Business Day after receipt); or (f) Notice by a nationally-recognized overnight delivery or courier company (e.g., FedEx) shall be effective one Business Day after delivery to the courier, shipping prepaid. In addition to the foregoing delivery options, notices from Landlord may be delivered to Purchase Right Holder via a link to Seller’s portal.

Notice Addresses:

**Seller’s Notice Address:**

HP Maryland I LLC  
120 S. Riverside Plaza, Suite 2000,  
Chicago, IL 60606  
  
Attn: General Counsel  
TELEPHONE: (877) 234-5155  
EMAIL: notices@homepartners.com  
FAX: (312) 780-1669

**With a copy to:**

HP Maryland I LLC  
c/o Pathlight Property Management  
6500 International Pkwy #1100  
Plano, TX 75093  
  
Attn: Property Manager  
EMAIL: movein@pathlightmgmt.com  
TELEPHONE: (800) 527-5030  
FAX: (866) 221-8563

**Purchase Right Holder Notice Address:**

**THE FOLLOWING PERSON SHALL BE THE DESIGNATED “PURCHASE RIGHT HOLDER NOTICE RECIPIENT” AUTHORIZED TO DELIVER AND ACCEPT NOTICES ON BEHALF OF ALL PURCHASE RIGHT HOLDERS PURSUANT TO PARAGRAPH 16 ABOVE (THERE SHALL BE ONLY ONE DESIGNATED PURCHASE RIGHT HOLDER NOTICE RECIPIENT AT ANY TIME) AND THE PURCHASE RIGHT HOLDER NOTICE RECIPIENT ADDRESS SHALL BE THE PREMISES;** provided, however, that if a physical mailing address other than the Premises is inserted below, such below address shall be used solely for the mailing by U.S. regular mail of an informational copy of Notices otherwise sent to the Premises, it being agreed that Seller’s failure to send such informational copy shall not affect the effectiveness of Notices sent to the Premises or otherwise delivered in accordance with this Paragraph):

PURCHASE RIGHT HOLDER NOTICE RECIPIENT: Marcus Wendall Durham  
ADDRESS (for information purposes only): 6290 Cracklingtown Road, Hughesville, MD 20637  
EMAIL: yogibear8.ad@gmail.com  
TELEPHONE: \_\_\_\_\_  
FAX: \_\_\_\_\_

Each party shall have the right from time to time to change the place notice is to be given under this Paragraph (or, in the case of notices to Purchase Right Holder Notice Recipient, where an informational copy is to be sent) by written notice thereof to the other party. Written notice from Seller’s or Landlord’s Agent or Seller's or Landlord’s attorney shall constitute notice from Seller. Any person giving a notice under this Agreement should retain a copy of the memo, letter, or fax that was given. Facsimiles and portable document format (pdf) signatures are binding. All notices must be signed (if by email, signature may be typed within the email).

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18. **ENTIRE AGREEMENT.** This Agreement, the Lease together with the Document Review Acknowledgment signed by Tenant and any other written documents signed by Seller or Landlord and Purchase Right Holder or Tenant, and delivered to the other (including the Executed Purchase Contract, if executed), constitute the complete and entire agreement among the parties, and no representations or oral statements of either party are binding unless contained herein or therein. None of those agreements may be modified, changed, altered or amended in any way except through a written amendment signed by all of the parties thereto (except as otherwise provided in Paragraph 22.g below). Neither Seller nor any of Seller's or Landlord's Agents has made any oral promises, representations, or agreements not contained herein. Seller's Agents have no authority to waive, amend, or terminate this Agreement, the Lease or any part of it, unless such authority is in writing and signed by Landlord, and no authority to make promises, representations, or agreements that impose security duties or other obligations that would be binding or enforceable on Seller or Seller's or Landlord's Agents unless in each such instance such authority is in writing signed by Landlord.
19. **NO THIRD PARTY BENEFICIARIES.** This Agreement does not create any rights, claims or benefits inuring to any person or entity that is not a party to this Agreement nor does it create or establish any third party beneficiary to this Agreement or the Purchase Contract. Purchase Right Holder shall not be a third party beneficiary of any agreements entered into by Seller which may affect the Premises.
20. **ASSIGNMENT BY SELLER; LIMITATION OF LIABILITY.** Seller shall have the absolute right to sell, transfer and/or assign, in whole or in part, all of its rights in the Premises and its rights and obligations under this Agreement and upon such sale, transfer and/or assignment, Seller shall transfer all of its rights and obligations under this Agreement to such assignee/transferee and Seller shall thereupon be released from any further obligations under this Agreement, and Tenant agrees to look solely to such successor in interest of Seller for the performance of such obligations. Any liability of Seller under this Agreement shall be limited solely to its interest in the Premises and in no event shall any personal liability be asserted against Seller, its members, or their respective members, partners, shareholders, officers, directors, agents or employees, in connection with this Agreement nor shall any recourse be had to any other property or assets of Seller, its members, or their respective members, partners, shareholders, officers, directors, agents or employees. In no event shall Seller nor any of its agents be liable for consequential or punitive damages as a result of a breach or default under or otherwise in connection with this Agreement. No member, officer, director, employee, agent, management representative, or personnel of Seller shall be personally liable for any of Seller's contractual, statutory, or other obligations merely by virtue of acting on Seller's behalf.
21. **AGREEMENT EFFECTIVENESS; NO OFFER.** Seller has delivered a copy of this Agreement to Purchase Right Holder for its review and Seller's delivery thereof does not constitute an offer by Seller to Purchase Right Holder, nor an option. Notwithstanding anything contained in this Agreement to the contrary, the submission of this Agreement to Seller, executed on behalf of Purchase Right Holder, shall constitute an irrevocable offer to Seller to enter into this Agreement which may be accepted by Seller within fifteen (15) days after Purchase Right Holder's submission thereof to Seller, and Purchase Right Holder shall not have the right to terminate this Agreement nor revoke its offer within such 15-day period. Seller has made (or will be making) an offer to purchase the Premises in reliance upon Purchase Right Holder's having indicated its agreement to submit (or having submitted) a copy of this Agreement signed by such Purchase Right Holder to Seller and Tenant's agreement to submit (or having submitted) a copy of the Lease signed by such Tenant to Landlord. Furthermore, Purchase Right Holder acknowledges that Seller shall have incurred significant costs in an attempt to purchase (or the actual purchase of) the Premises in material reliance upon such irrevocable offer and acknowledges and agrees that Seller shall have the right, to the extent permitted by Applicable Laws, in the event that it agrees (it being understood and agreed that Seller/Landlord shall have no obligation to so agree) to either (a) a revocation or termination of Purchase Right Holder's irrevocable submission of this Agreement and the Lease by the Tenant to Landlord within such 15-day period or (b) a termination of the Lease or this Agreement prior to Seller's acquisition of title to the Premises, to retain the "Deposit" under the Document Review Acknowledgment submitted by one or more of the parties constituting Purchase Right Holder (regardless of whether or not same is deemed to be prepaid Rent, Security Deposit or otherwise) to reimburse Seller for out-of-pocket costs and expenses incurred by Seller in connection with purchasing or attempting to purchase the Premises (including but not limited to inspection costs, third party professional costs, closing costs, rehabilitation

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costs of the Premises, attorneys' fees and the like; collectively, the "*Termination Costs*") and to the extent that the amount of the Deposit retained by Seller exceeds the aggregate amount of the Termination Costs, such difference shall be deemed to be liquidated damages to compensate Seller for the loss of its bargain. The parties hereto acknowledge and agree that the amount of Seller's actual damages in such circumstance would be difficult, if not impossible, to determine and that the amount of the Deposit in excess of the Termination Costs is a reasonable estimate of Seller's damages and not a penalty.

Except for the rights and obligations of Seller and Purchase Right Holder contained in this Paragraph 21 and in Section 44 of the Lease (which shall become binding against Tenant and Purchase Right Holder upon their execution and submission of the Lease and this Agreement whether or not they are accepted by Seller or if accepted, later terminated) and the obligations contained in the Document Review Acknowledgment, (a) this Agreement and the Lease shall not otherwise become effective until this Agreement and the Lease have both been executed by Seller and a fully executed copy of each is delivered to Tenant and the Purchase Right Holder, as applicable, (b) none of Seller, Landlord, Tenant nor Purchase Right Holder shall be bound by the Lease nor this Agreement and neither shall become effective unless and until each of the parties hereto and thereto shall have executed and delivered to each other both the Lease and this Agreement, (c) this Agreement is expressly contingent upon Seller acquiring title to the Premises on or before the scheduled Estimated Commencement Date under the Lease (as such date may be extended by the terms of the Lease), and (d) in the event that the Lease is terminated pursuant to Section 44 of the Lease or otherwise, then this Agreement shall automatically terminate and be of no further force or effect except for such obligations which are expressly intended to survive such termination pursuant to the terms of this Agreement.

**22. PURCHASE PRICE ADJUSTMENT. Purchase Right Holder acknowledges that it has been advised and agrees that the Purchase Price of the Premises shall be calculated and adjusted in accordance with the following provisions.**

- a. Purchase Right Holder acknowledges and agrees that (i) Seller's final costs to be incurred in connection with acquiring, improving and/or rehabilitating the Premises (which shall include, but not be limited to, amounts paid by Seller to purchase the Premises, inspection and closing costs [including items such as transfer taxes, survey costs, title insurance, escrow/closing fees], homeowner's association application and approval fees, costs to perform Landlord Work, make-ready work, life-safety repair work, asset preservation, lock changes, cleaning, initial landscape clean-up, pool start-up (where applicable) and similar items of work that Seller elects or is required to have made to the Premises together with a fee not to exceed 0.5% of such costs reflecting Seller's internal costs in completing the acquisition of the Premises) (collectively, "*Acquisition Costs*") have not been determined as of the Effective Date, (ii) the Purchase Price identified in the initial **Exhibit A** hereto has been calculated as of the Effective Date and is the product of (x) Seller's pre-inspection estimates of Acquisition Costs (collectively, the "*Estimated Acquisition Cost*") multiplied by (y) 103.50% (the "*Price Adjustment Factor*"), which amounts have been approved in writing by Purchase Right Holder prior to the Effective Date, and (iii) Seller shall have the right to perform a more thorough inspection of the Premises either prior to or after the Effective Date (which may, at Seller's option, include obtaining third-party cost estimates to perform all or a portion of the improvements/rehabilitation work to the Premises) which may affect the Purchase Price as provided below.
- b. Within one hundred eighty (180) days after the Commencement Date of the Lease, Seller shall provide Purchase Right Holder with a statement ("*Price Adjustment Statement*") which shall identify, as applicable: (i) the aggregate amount of actual Acquisition Costs (collectively, "*Final Acquisition Cost*") incurred by Seller in acquiring, improving and/or rehabilitating the Premises as described in subparagraph (a) above, calculated as of the date such Price Adjustment Statement is issued, (ii) the difference, if any, between the Estimated Acquisition Cost and the Final Acquisition Cost, (iii) the amount of any resulting reduction in the amount of the Purchase Price in the event that the Final Acquisition Cost is less than the Estimated Acquisition Cost (in which event an updated **Exhibit A** to this Agreement shall be included), and (iv) the balance then remaining, if any, in the Repair & Maintenance Reserve (defined below).

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The Price Adjustment Statement may contain estimated costs (as opposed to actual costs) for one or more items of work comprising Acquisition Costs to the extent that the performance thereof has been delayed or not yet completed due to things like weather conditions (e.g., air-conditioning, roof or asphalt repairs which may not be able to be performed during certain seasons depending on where the Premises is located), in which event the Price Adjustment Statement shall be sent (or updated if previously sent) once all outstanding items of work have been completed and the Final Acquisition Cost determined, which may be after such 180-day period but no later than the Closing Date. Seller shall not be obligated to provide receipts nor a detailed breakdown of the various cost components comprising the Final Acquisition Cost but will do so by general categories upon request from Purchase Right Holder if such request is made within 60 days after issuance of the Price Adjustment Statement.

“*Price Adjustment*” is equal to the product obtained by multiplying (A) the difference between the Estimated Acquisition Cost and the Final Acquisition Cost by (B) the Price Adjustment Factor.

If the Final Acquisition Cost is less than the Estimated Acquisition Cost, then the **Purchase Price contained in the initial Exhibit A hereto shall be reduced by an amount equal to the Price Adjustment**, which amount shall be reflected in the updated **Exhibit A** provided with the Price Adjustment Statement and the Repair & Maintenance Reserve shall remain unchanged.

Alternatively, if the Final Acquisition Cost is greater than the Estimated Acquisition Cost, then the **Purchase Price shall remain unchanged**, however, the Repair & Maintenance Reserve shall be reduced by an amount equal to the Price Adjustment and such amount shall be reflected on the Price Adjustment Statement.

- c. The Purchase Price of the Premises as reflected on the initial **Exhibit A** hereto includes a repair and maintenance reserve in the amount of \$2,500.00 (“*Repair & Maintenance Reserve*”) which amount shall be reduced (but not below zero), by an amount equal to (i) the Price Adjustment (in the event that the Final Acquisition Cost is greater than the Estimated Acquisition Cost as described in Paragraph 22.b above) and (ii) the aggregate amount of Repair & Maintenance Costs that are incurred by Landlord from time to time during the Term of the Lease (as described in the Repair, Maintenance & Improvement Addendum to Residential Lease & Right to Purchase which is attached to the Lease and which shall be deemed to be incorporated into this Agreement by this reference as though fully set forth herein).

If there shall be a balance remaining in the Repair & Maintenance Reserve as of the Closing, then Seller shall, at its option, either (A) issue a credit against the Purchase Price or (B) reduce the Purchase Price, in each case by the amount of such remaining balance which amount may be reflected on the closing disclosure statement at the Closing.

Notwithstanding anything contained in this Paragraph 22.c to the contrary, to the extent that Tenant fails to either pay for, reimburse Landlord or perform any portion of the Repair & Maintenance Work which is Tenant’s obligation to pay or perform pursuant to the terms of the Lease or should there be any Rent payments outstanding, then if such items have not been paid in full by Tenant prior to the Closing, then Landlord shall have the right to either increase the Purchase Price or reduce the Repair & Maintenance Reserve then remaining by the outstanding aggregate amount thereof.

- d. Promptly after receipt of the Exercise Notice, Seller shall provide Purchase Right Holder with a calculation of the Purchase Price (based upon the then-outstanding balance of the Repair & Maintenance Reserve as of the date of such calculation) as of the proposed Closing Date which shall be the amount inserted into the Executed Purchase Contract but which shall remain subject to adjustment in accordance with the terms of this Paragraph 22 including if the actual Closing Date would delay the Closing until the subsequent Renewal Term. Additionally, Seller shall provide Purchase Right Holder with a calculation of the Purchase Price as aforesaid upon request from Purchase Right Holder, no more than once during any calendar year.

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Jordan M Durham

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- e. Prior to the Closing, Purchase Right Holder agrees that Seller shall have the right to adjust the amount of the Purchase Price and/or the amount of any closing credit contained in such Executed Purchase Contract (or the closing disclosure): (i) for any matters that have either not yet occurred or the final cost thereof determined as of the date such calculation was initially made, (ii) based upon any reductions to the Repair & Maintenance Reserve (including Repair & Maintenance Costs incurred after the date of the Executed Purchase Contract), (iii) as permitted by the Lease and this Agreement, (iv) in accordance with the Executed Purchase Contract and (v) if the actual Closing Date would cause the Purchase Price to be adjusted based on **Exhibit A**.
- f. It is expressly understood and agreed by the Parties that any adjustments to Purchase Price contained in the Executed Purchase Contract as a result of matters occurring prior to the Closing shall occur, if at all, prior to the Closing. Once the Closing has occurred, each party hereto waives the right to dispute the calculation of the Purchase Price (including the calculation of the Repair & Maintenance Reserve) paid pursuant to the Executed Purchase Contract (including credits or adjustments shown on the final disclosure statement), all of which shall be final and binding on the parties hereto and to the Executed Purchase Contract.
- g. Any updated or revised **Exhibit A** to this Agreement or calculation of the Repair & Maintenance Reserve prepared by Seller and delivered to Purchase Right Holder in accordance with the terms of this Agreement shall automatically be deemed to supersede and replace any then-existing **Exhibit A** to this Agreement and the Repair & Maintenance Reserve for all purposes, it being understood and agreed that Seller's calculation of any revisions to the Repair & Maintenance Reserve and/or the Purchase Price (provided same shall have been calculated in accordance with the terms of this Agreement and the Lease and absent manifest error) shall be final and binding on Seller and Purchase Right Holder irrespective of whether Purchase Right Holder executes same or not. Purchase Right Holder acknowledges that adjustments to the dates of the Initial Term under the Lease could affect the Purchase Price.
23. **FIRE OR CASUALTY.** Notwithstanding anything contained in this Agreement to the contrary, if all or a material part of the Premises is damaged or destroyed or is taken by eminent domain, then each of Purchase Right Holder and Seller shall have the right to terminate this Agreement, upon written notice to the other, whereupon this Agreement shall be of no further force or effect. For purposes hereof, "material damage" shall mean the time to repair the Premises would take, in Landlord's reasonable estimation, more than thirty (30) days from the date of such casualty. However, if the damage was caused, in whole or in part, by the negligence or intentional or willful acts or omissions of Tenant or any Occupant, then Landlord shall have the right to terminate this Agreement upon notice to Tenant regardless of the extent of the damage. If the damage occurs after execution of the Executed Purchase Contract, the terms and provisions thereof shall govern such fire or casualty. Nothing contained herein shall relieve Tenant from liability under the Lease with respect to such casualty.
24. **ADEQUATE CONSIDERATION.** Purchase Right Holder and Seller each acknowledges and agrees that their respective rights and obligations contained in this Agreement as well as the Purchase Right are supported by adequate consideration, which consideration includes but is not limited to (a) the payment of the "Deposit" pursuant to and as defined in the Document Review Acknowledgment submitted by at least one of the Purchase Right Holders, (b) the payment of the Security Deposit and the Rent pursuant to and in accordance with the terms of the Lease, (c) the credits and other payments which would have been credited by Seller to the Purchaser under the Purchase Contract if the sale of the Premises were consummated pursuant to the terms of this Agreement, and (d) Tenant's entering into the Lease and agreeing to be bound pursuant to the obligations contained therein.
25. **EXPIRATION.** Except as set forth in the last sentence of this Paragraph and the Executed Purchase Contract, if applicable, all of Purchase Right Holder's rights contained in this Agreement to purchase the Premises (including the Purchase Right which must be exercised, if at all, in accordance with Paragraph 1 above), shall expire, terminate, **become null and void and of no force or effect in accordance with the terms of this Agreement but in no event later than the earlier to occur of the Expiration Date of the Lease or the day immediately preceding the fifth (5<sup>th</sup>) anniversary of the Commencement Date of the Lease**, time being of the essence and notwithstanding anything contained in this Agreement to the contrary. Notwithstanding the immediately preceding sentence, the

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Jordan M Durham

Tyrique K Durham

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provisions contained in this Agreement and the Lease pertaining to the calculation of the Purchase Price and the Repair & Maintenance Reserve and adjustments thereto in the event the Executed Purchase Contract is entered into shall survive and be binding in connection with the Executed Purchase Contract.

THIS RIGHT TO PURCHASE AGREEMENT IS NOT A CONTRACT TO BUY. THIS AGREEMENT IS AN INTEGRAL PART OF YOUR LEASE AND IS GOVERNED BY TITLE 8 OF THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND AND A TENANT OR PROSPECTIVE TENANT (INCLUDING PURCHASE RIGHT HOLDER) SHALL HAVE ALL APPLICABLE RIGHTS AND REMEDIES PROVIDED UNDER THAT TITLE. <sup>8/24/2021</sup>

In Witness Whereof, and intending to be legally bound hereby, the parties have executed this Residential Right to Purchase Agreement effective as of \_\_\_\_\_ (“Effective Date”).

**Purchase Right Holder:**

*Marcus Wendall Durham*  
57685CBE97B3405...

DocuSigned by:  
Name: Marcus Wendall Durham  
**Marcus Durham**  
D3C9AF5506A64E7...

DocuSigned by:  
*T. D.*  
F4874639E50946E...  
Trinity Durham

DocuSigned by:  
Name: Ayoka A Ross-Durham  
*Ayoka A Ross-Durham*  
1282D3C9CA1A421...

DocuSigned by:  
Name: Jordan M Durham  
*Jordan M Durham*  
E4C0EDA175D948B...

Name: Tyrique K Durham

**Landlord/Seller:**

HP Maryland I LLC  
a Delaware limited liability company

DocuSigned by:  
*Maria Garcia*  
B15997C2DF1E4AE...  
By: \_\_\_\_\_

Name: \_\_\_\_\_  
Title: Authorized Agent

**LIST OF EXHIBITS:**

- Exhibit A - Purchase Price
- Exhibit B - Legal Description of Premises
- Exhibit C - Purchase Contract

Marcus Wendall Durham      Ayoka A Ross-Durham      Jordan M Durham      Tyrique K Durham  
Purchase Right Holder Name: \_\_\_\_\_

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**EXHIBIT A**  
**TO RESIDENTIAL RIGHT TO PURCHASE AGREEMENT**

(Effective as of 8/24/2021 )

**Date of Closing:**

**Purchase Price\***  
**(as of the date of this Exhibit A)**

Initial Term of Lease (Year 1)	\$ <u>501200.00</u>
First Renewal Term of Lease (Year 2)	\$ <u>518700.00</u>
Second Renewal Term of Lease (Year 3)	\$ <u>536800.00</u>
Third Renewal Term of Lease (Year 4)	\$ <u>555500.00</u>
Fourth Renewal Term of Lease (Year 5)	\$ <u>574900.00</u>

\* The Purchase Price set forth in this **Exhibit A** shall be: (1) calculated and adjusted in accordance with Paragraph 22 of the Right to Purchase Agreement and (2) subject to adjustment pursuant to and in accordance with the terms of the Right to Purchase Agreement and/or the terms of the Lease (including the Repair, Maintenance & Improvement Addendum thereto).

The Purchase Price set forth herein includes a Repair & Maintenance Reserve in the initial amount of \$2,500. Any balance in the Repair & Maintenance Reserve at the time of Closing may result in a credit or reduction in the Purchase Price in accordance with Paragraph 22 of the Right to Purchase Agreement.

This Exhibit A may be updated from time to time pursuant to and in accordance with the terms of Paragraph 22 of the Right to Purchase Agreement.

For the avoidance of doubt, the Purchase Price shall be calculated based upon the actual Closing Date, not the estimated or target Closing Date contained in the Executed Purchase Contract.

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EXHIBIT A

**EXHIBIT B**

**TO RESIDENTIAL RIGHT TO PURCHASE AGREEMENT**

**LEGAL DESCRIPTION OF PREMISES**

If not available at time of execution of the Right to Purchase Agreement, to be provided by Seller at Purchase Right Holder's request or as part of the Executed Purchase Contract.

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EXHIBIT B

**EXHIBIT C**  
**TO RESIDENTIAL RIGHT TO PURCHASE AGREEMENT**

**REAL ESTATE SALE CONTRACT**  
**(Maryland)**

*[To Be Conformed to any Requirements of Applicable Law at the time of Closing]*

This REAL ESTATE SALE CONTRACT (“Contract”) is made as of the Date of Ratification (defined below) between the person(s) who are identified on the signature page hereof as the Purchaser (individually or if more than one person is named, collectively, “Purchaser”) who is identified as one or all of the persons constituting the Purchase Right Holder in that certain Residential Right to Purchase Agreement (“Right to Purchase Agreement”) and the seller (or its predecessor in interest) who is identified on the signature page of this Contract (“Seller”). Capitalized terms which are used in this Contract but which are not otherwise defined herein shall have the meaning ascribed thereto in the Lease (defined below) or the Right to Purchase Agreement, as applicable. In consideration of the mutual promises and covenants set forth below, and other good and valuable consideration the receipt and sufficiency of which is acknowledged, the parties agree as follows:

1. **REAL PROPERTY** Purchaser will buy and Seller will sell for the Purchase Price (defined below), Seller’s entire interest in the real property (with all improvements, rights and appurtenances) described as follows (“Property” [sometimes referred to as the Premises herein and in the Right to Purchase Agreement]):

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

2. **JURISDICTIONAL ADDENDUM** A Jurisdictional Addendum for \_\_\_\_\_ County, Maryland, if ratified and attached, is attached to and by this reference made a part of this Contract.

3. **PURCHASE PRICE** Purchaser shall pay or satisfy the purchase price to Seller in the amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) (“Purchase Price”), on the Settlement Date (sometimes referred to as the Closing Date in the Right to Purchase Agreement) on the terms set forth herein:

- a. The payment of the balance of the Purchase Price by wire transfer or certified funds, adjusted for the Deposit, prorations and customary closing and settlement costs (which amounts shall be identified on the closing disclosure). For proration and other purposes, Purchaser shall be deemed to own the Premises as of the Settlement Date.
- b. Purchaser directs Seller (or confirms that Purchase Right Holder has directed Seller in the Exercise Notice) that an amount equal to any unapplied Security Deposit and any prepaid Rent then held by Landlord under the Lease, in each case subject to permitted offsets as of Settlement, be applied or credited against the Purchase Price (or closing costs or credits), unless otherwise agreed in writing. Seller shall have the right (but will not be required) to require written authorization from all Tenants or Purchase Right Holders confirming such direction. Upon Settlement, such amounts so applied toward the Purchase Price (or closing costs or credits) will be deemed to have been returned to Tenant pursuant to the terms of the Lease and Landlord will have no further obligation to account for same under the Lease.

As of the Date of Ratification, Seller confirms that the Security Deposit currently being held by Landlord under the Lease is in the amount of \$ \_\_\_\_\_. Such amounts (adjusted as of Settlement) shall be identified on the disclosure/settlement statement.

- c. The Purchase Price contained in this Contract (i) was determined in accordance with the Right to Purchase Agreement and (ii) was based on the initial Settlement Date contained in this Contract (it being understood and agreed that if the Settlement Date should be delayed and the actual Settlement Date would result in an increase in the Purchase Price in accordance with the Right

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
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to Purchase Agreement, then the Purchase Price contained in this Contract shall automatically be increased by the same amount).

- d. Seller shall have the right to adjust the amount of the Purchase Price and/or the amount of any closing credit contained in this Contract (or any credits contained in the settlement statement): (i) for any matters that were not known or finalized as of the date the Purchase Price contained in this Contract was calculated, (ii) based upon any reductions to the Repair & Maintenance Reserve (including Repair & Maintenance Costs incurred after or not known/finalized as of the Date of Ratification), and (iii) as expressly permitted by the Lease and the Right to Purchase Agreement; and
- e. Prior to Settlement, Seller shall determine the outstanding balance, if any, of the Repair & Maintenance Reserve and such balance shall either (i) be given to Purchaser as a closing credit or (ii) the Purchase Price shall be reduced by such amount.

It is expressly understood and agreed by Purchaser and Seller that any adjustments to Purchase Price contained in this Contract shall occur, if at all, prior to consummation of the Settlement. Once the Settlement has occurred, each party hereto waives the right to dispute the calculation of the Purchase Price (including the calculation of the Repair & Maintenance Reserve) paid pursuant to this Contract (including credits or adjustments shown on the final settlement statement), all of which shall be final and binding on the parties to this Contract, the Lease and the Right to Purchase Agreement notwithstanding anything contained therein to the contrary (however Tenant shall not be relieved of any obligations under the Lease accruing prior to the Settlement Date).

4. **DEPOSIT** Simultaneously herewith, Purchaser shall deliver a deposit in the amount of \$1,000,000 ("Deposit") to Seller or as Seller shall otherwise direct as earnest money to be applied to the Purchase Price (or closing costs or credits, unless otherwise subsequently mutually agreed in writing) at Settlement, and agrees to pay or satisfy the balance of the purchase price. At Seller's option, the earnest money shall be held, at Seller's option, (a) by a title company or escrow agent identified by Seller or (b) by Seller, for the mutual benefit of the parties. Purchaser shall have no right to interest on the Deposit.

5. **SETTLEMENT** Seller and Purchaser will make full settlement in accordance with the terms of this Contract ("Settlement" or "Closing") on \_\_\_\_\_ or on the date, if any, to which such time is extended by reasons of paragraph 2 of the Conditions and Stipulations hereafter becoming operative (whichever date is later) ("Settlement Date" or "Closing Date"), unless subsequently mutually agreed otherwise, at the office of \_\_\_\_\_ (to be designated by Seller unless all title insurance and closing costs are borne solely by Purchaser) ("Settlement Agent"), provided title is shown to be good or is accepted by Purchaser. Either party may retain their own legal counsel.

6. **PROPERTY MAINTENANCE AND CONDITION** This Contract is for the sale of the real estate and property (including fixtures, equipment and personal property) in their "AS IS, WHERE IS, WITH ALL FAULTS" condition, and Purchaser acknowledges and agrees that, except as expressly set forth in this Contract, (a) no representations, warranties or guarantees with respect to the condition of the Property, the real estate or property located thereon have been made by Seller other than those known defects, if any, disclosed in writing by Seller, (b) the sale of the Property is without any representations or warranties by Seller, including, without limitation, habitability or fitness for a particular purpose, (c) one or more of the persons who constitute Purchaser has been in occupancy of the Property in its capacity as Tenant pursuant to that certain Residential Lease Agreement ("Lease") with the Seller, Purchaser shall be deemed to be fully aware of the condition of the entire Property and acknowledges that it has had ample opportunity to inspect the Property prior to execution of this Contract, (d) to the extent that the Property has been damaged prior to Settlement, Purchaser shall be deemed to have caused and/or consented to/accepted such damage and expressly accepts the Property including all such damage, and (e) Seller has not agreed to and shall have no obligation to perform any repair or maintenance work to the Property under this Contract. IN FURTHERANCE THEREOF, TO THE GREATEST EXTENT ALLOWED BY APPLICABLE LAWS, SELLER SHALL HAVE NO OBLIGATION UNDER THIS CONTRACT TO REPAIR OR RESTORE THE PROPERTY. PURCHASER ACKNOWLEDGES AND AGREES THAT: (I) THE PURCHASE PRICE WAS NEGOTIATED WITH THE EXPRESS UNDERSTANDING THAT PURCHASER IS RESPONSIBLE FOR THE COST OF ALL REPAIR AND MAINTENANCE NEEDS OF THE PROPERTY PURSUANT TO THE LEASE, THE RIGHT TO PURCHASE AGREEMENT AND THIS CONTRACT; (II) TENANT (WHICH INCLUDES THE PURCHASER) HAS BEEN IN OCCUPANCY OF THE PROPERTY SINCE THE COMMENCEMENT DATE UNDER THE LEASE AND IS AND WAS IN A UNIQUE POSITION TO INVESTIGATE ALL MATTERS RELATED TO THE CONDITION OF THE PROPERTY; (III) THIS OFFER IS MADE BY PURCHASER PURSUANT TO THE RIGHT TO PURCHASE AGREEMENT; (IV) TENANT SHALL NOT BE RELIEVED OF OBLIGATIONS ACCRUING UNDER THE LEASE PRIOR TO THE EXPIRATION OR TERMINATION THEREOF, AND (V) UPON SETTLEMENT/CLOSING, PURCHASER SHALL BE DEEMED TO HAVE UNCONDITIONALLY WAIVED AND RELEASED SELLER FROM ALL OBLIGATIONS SELLER MAY HAVE UNDER THE LEASE, THE RIGHT TO PURCHASE AGREEMENT AND THIS CONTRACT TO PERFORM ANY REPAIR OR MAINTENANCE OBLIGATIONS THEREUNDER, IT BEING UNDERSTOOD AND AGREED THAT ALL SUCH

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OBLIGATIONS THAT REMAIN OUTSTANDING AS OF SETTLEMENT SHALL EXPIRE AND TERMINATE UPON SETTLEMENT; ACCORDINGLY, SELLER SHALL HAVE NO OBLIGATION UNDER THIS CONTRACT OR OTHERWISE TO REPAIR OR RESTORE ALL OR ANY PART OF THE PREMISES AFTER THE SETTLEMENT DATE.

7. **PERSONAL PROPERTY AND FIXTURES.** The Property includes the personal property and fixtures owned by Seller which are located at the Property as of the Settlement Date. Unless otherwise agreed to in writing, all surface or wall mounted electronic components/devices owned by Seller **DO** convey.
8. **PURCHASER'S REPRESENTATIONS.** Purchaser will occupy the Property as Purchaser's principal residence. **Neither this Contract nor the financing is dependent or contingent on the sale and settlement or lease of other real property.** Purchaser acknowledges that Seller is relying upon all of Purchaser's representations, including without limitation, the accuracy of financial or credit information given to Seller or the lender by Purchaser.
9. **DAMAGE OR LOSS** Notwithstanding anything contained in this Contract to the contrary, in case after execution of this Contract but prior to delivery of the Deed, all or a material part of the Premises is damaged or destroyed by fire or other casualty, then Purchaser and Seller shall each have the right, within ten (10) days after receipt of notice of such event, to notify the other that such party has elected to terminate this Contract, whereupon this Contract shall be of no further force or effect and neither party shall have any liability to the other under this Contract except that the Deposit shall be returned to Purchaser. If all or a portion of the Premises is taken by eminent domain (or deed in lieu thereof) prior to Settlement, then Purchaser and Seller shall each have the right, within ten (10) days after receipt of notice of such event, to notify the other that such party has elected to terminate this Contract, whereupon this Contract shall be of no further force or effect and neither party shall have any liability to the other under this Contract except that the Deposit shall be returned to Purchaser. If this Contract is not terminated pursuant to this paragraph, then the parties shall proceed to Settlement and Seller shall (i) in the event of a casualty, at Seller's option, either (A) repair such damage and/or provide Purchaser with a credit for the estimated remaining cost of such repairs or (B) assign to Purchaser the applicable insurance proceeds pertaining to such damage, or (ii) in the event of a condemnation, Purchaser shall pay the Purchase Price and Seller will assign to Purchaser the right to recover all condemnation proceeds to which Seller may be entitled under applicable law. Seller shall notify Purchaser prior to Settlement how it has elected to proceed. Nothing contained in this Contract shall relieve Tenant from liability under the Lease with respect to damage or a casualty occurring on or before the Expiration Date of the Lease.
10. **TITLE.** Seller shall deliver or cause to be delivered to Purchaser or Purchaser's agent, not less than 5 days prior to the Settlement Date, a title commitment for an owner's title insurance policy issued by a title insurance company or agent selected by Seller in the amount of the purchase price, covering title to the real estate on or after the Date of Ratification. Seller shall not be obligated to provide Purchaser with a current survey of the Property but agrees that if it has a copy of a survey in its possession, it will provide a copy thereof to Purchaser. Purchaser acknowledges that should its lender or the title company require a current survey of the Property, obtaining such current survey shall be Purchaser's obligation and at Purchaser's sole cost. Fee simple title to the Property, and everything that conveys with it, will be sold free of liens except for any loans assumed by or obtained by Purchaser. Title is to be good and marketable, and insurable by a licensed title insurance company with no additional risk premium. Title may be subject to commonly acceptable easements, covenants, conditions and restrictions of record, if any, not unduly interfering with Purchaser's reasonable use of the Premises as a single family residence; otherwise, Purchaser may declare this Contract void, unless the defects are of such character that they may be remedied within 30 Days beyond the Settlement Date. In case action is required to perfect the title, such action must be taken promptly by Seller at Seller's expense. Seller will convey the Property by special warranty deed ("Deed") to Purchaser (as tenants in common unless Seller is notified that Purchaser desires to hold title differently at least five (5) Business Days prior to Closing). Seller will sign such affidavits, lien waivers, tax certifications, and other documents as may be required by the lender, title insurance company, Settlement Agent, or government authority, and authorizes the Settlement Agent to obtain pay-off or assumption information from any existing lenders. The manner of taking title may have significant legal and tax consequences. Purchaser is advised to seek the appropriate professional advice concerning the manner of taking title. Unless otherwise agreed to in writing, Seller will pay any special assessments and will comply with all orders or notices of violations of any county or local authority, condominium unit owners' association, homeowners' or property owners' association or actions in any court on account thereof, against or affecting the Property on the Settlement Date covering periods through the Settlement Date; Purchaser shall be responsible for and shall take subject to same for periods from and after the Settlement Date.
11. **POSSESSION DATE.** Possession of the Property shall be deemed to have been delivered by Seller on the Settlement Date. Seller will not be obligated to deliver the Property to Purchaser vacant at the time of Settlement, it being understood and agreed that one or more of the persons who constitute Purchaser has been in possession of the Property pursuant to the terms of the Lease and

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although the Lease provides that it shall automatically terminate and expire upon the sale of the Property pursuant to this Contract, Purchaser is expressly taking title subject to any holdover by any tenant or occupant under the Lease. Keys and/or means to operate all locks, mailboxes, security systems, alarms and garage door openers have previously been provided to Purchaser and no additional copies will be provided to Purchaser except to the extent in Seller's possession.

- 12. FEES.** Fees for the preparation of the Deed, that portion of the Settlement Agent's fee billed to Seller, costs of releasing existing encumbrances (unless assumed by Purchaser), Seller's legal fees and any other proper charges assessed to Seller will be paid by Seller. Fees for the title exam (except as otherwise provided), survey, recording (including those for any purchase money trusts) and that portion of the Settlement Agent's fee billed to Purchaser, Purchaser's legal fees and any other proper charges assessed to Purchaser will be paid by Purchaser. Fees to be charged will be reasonable and customary for the jurisdiction in which the Property is located. (Recording, Transfer and Grantor's Taxes are covered in the appropriate jurisdictional addenda).
- 13. ADJUSTMENTS.** Rents, real estate taxes, water and sewer charges, front foot benefit and house connection charges, condominium unit owners' association, homeowners' and/or property owners' association regular periodic assessments (if any) and any other operating charges, are to be adjusted to the day of Settlement. Any heating or cooking fuels remaining in supply tank(s) at Settlement will become the property of Purchaser, unless leased. Real estate property taxes, general and special, are to be adjusted according to the certificate of taxes issued by the collector of taxes, if any, except that recorded assessments for improvements completed prior to Settlement, whether assessments have been levied or not, will be paid by Seller or allowance made at Settlement. If a loan is assumed, interest will be adjusted to the Settlement Date and Purchaser will reimburse Seller for existing escrow accounts, if any. The prorations set forth on the settlement statement constitute the final agreement between the parties and shall not be reprinted. For proration and other purposes, Purchaser shall be deemed to own the Property on the Settlement Date.
- 14. ATTORNEY'S FEES.** If any party breaches this Contract and a non-breaching party retains legal counsel to enforce its rights hereunder, the non-breaching party shall be entitled to recover against the breaching party, in addition to any other damages recoverable against any breaching party, all of its reasonable Legal Expenses incurred in enforcing its rights under this Contract, whether or not suit is filed, and in obtaining, enforcing and/or defending any judgment related thereto. Should any tribunal of competent jurisdiction determine that more than one party to the dispute has breached this Contract, then all such breaching parties shall bear their own costs, unless the tribunal determines that one or more parties is a "Substantially Prevailing Party", in which case any such Substantially Prevailing Party shall be entitled to recover from any of the breaching parties, in addition to any other damages recoverable against any breaching party, all of its reasonable Legal Expenses incurred in enforcing its rights under this Contract, whether or not suit is filed, and in obtaining, enforcing and/or defending any judgment related thereto.
- 15. PERFORMANCE.** Delivery of the required funds and executed documents to the Settlement Agent will constitute sufficient tender of performance. Funds from this transaction at Settlement may be used to pay off any existing liens and encumbrances, including interest, as required by lender(s) or lien holders.
- 16. DEFAULT.** If Purchaser fails to complete Settlement for any reason other than default by Seller, at the option of Seller, the Deposit may be forfeited as liquidated damages (not as a penalty) in which event Purchaser will be relieved from further liability to Seller. If Seller does not elect to accept the Deposit as liquidated damages, the Deposit may not be the limit of Purchaser's liability. If Seller fails to perform or comply with any of the terms and conditions of this Contract or fails to complete Settlement for any reason other than default by Purchaser, the earnest money shall be returned to the Purchaser as Purchaser's sole remedy. If either Seller or Purchaser refuses to execute a release of Deposit ("Release") when requested to do so in writing and a court finds that such party should have executed the Release, the party who so refused to execute the Release will pay the expenses, including, without limitation, reasonable attorney's fees, incurred by the other party in the litigation.
- 17. OTHER DISCLOSURES** Purchaser and Seller should carefully read this Contract to be sure that the terms accurately express their respective understanding as to their intentions and agreements. Purchaser and Seller are further advised to seek appropriate professional advice concerning the condition of the Property or tax and insurance matters. The following provisions of this paragraph disclose some matters which the parties may investigate further. These disclosures are **NOT** intended to create a contingency. Any contingency must be specified by adding appropriate written terms to this Contract. The parties acknowledge the following disclosures:
- A. PROPERTY CONDITION** Various inspection services and home warranty insurance programs are available. Information relating to these issues may be available from appropriate government authorities.

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- B. LEGAL REQUIREMENTS** All contracts for the sale of real property must be in writing to be enforceable. Upon ratification and Delivery, this Contract becomes a legally binding agreement. Any changes to this Contract must be made in writing for such changes to be enforceable.
- C. FINANCING** Mortgage rates and associated charges vary with financial institutions and the marketplace. Purchaser has the opportunity to select the lender and the right to negotiate terms and conditions of the financing subject to the terms of this Contract. The financing may require substantial lump sum (balloon) payments on the due dates. Purchaser has not relied upon any representations regarding the future availability of mortgage money or interest rates for the refinancing of any such lump sum payments.
- D. PROPERTY TAXES** Purchaser's property tax bill could substantially increase following Settlement. For more information on property taxes contact the appropriate taxing authority in the jurisdiction where the Property is located.
- E. PROPERTY INSURANCE** Obtaining property insurance is typically a requirement of the lender in order to secure financing. Insurance rates and availability are determined in part by the number and nature of claims and incidents made on a property's policy as well as the number and nature of claims made by a prospective Purchaser. Property insurance has become difficult to secure in some cases. Seller shall terminate and cancel all hazard and other insurance held by it in connection with the Property as of Settlement. Purchaser shall obtain new insurance policies at Settlement, to the extent desired by Purchaser or required by Purchaser's lender.
- F. RESPA.** Purchaser and Seller agree to make all disclosures and do all things necessary to comply with the applicable provisions of the Real Estate Settlement Procedures Act of 1974. In the event that either party shall fail to make appropriate disclosure when asked, such failure shall be considered a breach on the part of said party.
- G. NON-TERRORIST.** Purchaser certifies that he/she/it has not been designated or named as a terrorist, a "Specially Designated National and Blocked Person," or any other banned or blocked individual or entity pursuant to any law, order, rule or regulation that is enforced or administered by the Office of Foreign Assets Control or on the most current list published by the U.S. Treasury Department Office of Foreign Assets Control at its official website. Purchaser shall defend, indemnify, and hold harmless Seller from and against any and all claims, damages, losses, risks, liabilities, and expenses (including reasonable attorneys' fees and costs) arising from or related to an current or future breach of the foregoing certification.
- H. OTHER DISCLOSURES** Purchaser acknowledges that in addition to the disclosures made pursuant to the terms of this Contract, prior to execution of this Contract: (a) it has received copies of and is familiar with each of the Disclosures which are identified in the Lease and/or the Right to Purchase Agreement and all such disclosure shall be deemed to be incorporated into this Contract by this reference without the necessity of attaching same hereto, and (b) it was provided with an opportunity to conduct a paint inspection or risk assessment for lead-based paint or lead-based paint hazards (unless required by law to be conducted by Landlord or Seller) and that it has either completed such inspections and is satisfied with the results thereof or has waived the opportunity to perform such inspections.
- 18. ASSIGNABILITY; JOINT AND SEVERAL** Purchaser shall not have the right to assign this Contract nor any rights or interests herein. Each person constituting Purchaser (should there be more than one) is and shall be jointly and severally liable for all obligations of Purchaser under this Contract. The inclusion of "and/or assigns" or similar language on the line identifying Purchaser on shall not constitute Seller's written consent to any names beyond those permitted by the Right to Purchase Agreement.
- 19. DEFINITIONS**
- A. "Intentionally omitted."
- B. "Day(s)" or "day(s)" means calendar day(s) unless otherwise specified in this Contract.
- C. All reference to time of day shall refer to the time of day in the Eastern Time Zone of the United States.
- D. For the purpose of computing time periods, the first Day will be the Day following Delivery and the time period will end at 9 p.m. on the Day specified. If the Settlement Date falls on a Saturday, Sunday, or legal holiday, then the Settlement will be on the prior business day.

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- E. "Date of Ratification" means the date of final acceptance in writing by Purchaser and Seller, of all the terms of this Contract, and all addenda hereto (not the date of expiration or removal of any contingencies).
- F. For "Delivery" and "Notices" definitions, see appropriate Jurisdictional Addendum.
- G. The masculine includes the feminine and the singular includes the plural.
- H. "Possession Date" - See POSSESSION DATE paragraph.
- I. "Legal Expenses" means attorney fees, court costs, and litigation expenses, if any, including, but not limited to, expert witness fees and court reporter fees which shall not exceed the sum of \$1,000 in the aggregate in any action.
- J. "Business Days", whenever used, means Monday through Friday, excluding federal holidays.
- K. Computation of Time Periods: For the purpose of computing time periods, the first Day will be the Day following Delivery, and the time period will end at 9 p.m. on the Day specified.

20. **MISCELLANEOUS** This Contract may be signed in one or more counterparts, each of which is deemed to be an original, and all of which together constitute one and the same instrument. Documents obtained via facsimile machines will also be considered as originals; however, each party delivering executed documents by facsimile or other electronic means agrees to provide the other party with an original, hard copy of the relevant signed documents promptly after the request of the other party. Typewritten or handwritten provisions included in this Contract will control all pre-printed provisions that are in conflict.

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

22. **TIME IS OF THE ESSENCE AS TO ALL TERMS OF THIS CONTRACT.**

23. **ENTIRE AGREEMENT** This Contract will be binding upon the parties and each of their respective heirs, executors, administrators, successors and permitted assigns. The provisions not satisfied at Settlement will survive the delivery of the deed for a period of 6 months and will not be merged therein. This Contract, unless amended in writing, contains the final and entire agreement of the parties pertaining to the sale of the Property and the parties will not be bound by any terms, conditions, oral statements, warranties or representations not herein contained, except to the extent terms contained in the Lease and the Right to Purchase Agreement are applicable. The interpretation of this Contract will be governed by the laws of the jurisdiction where the Property is located. In case any provision of this Contract is held invalid, illegal, or unenforceable in any respect, the invalidity, illegality, or unenforceability shall not affect any other provision of this Contract.

24. **BROKER** Purchaser represents to Seller that no broker was used in connection with this Contract and no commissions, fees or other compensation shall be payable or owed to a broker as a result of the sale of the Property to Purchaser (except for any broker retained by Seller in which event Seller shall be responsible for any commission due such broker) and Purchaser shall indemnify Seller against a breach of such representation. This provision shall survive Settlement or termination of this Contract indefinitely. Real estate broker fees or commissions, if any, shall be paid at Settlement in accordance with the listing agreement, buyer service agreement or other written agreement for compensation by the party obligated to pay same per such agreement.

25. **1031 EXCHANGE** Purchaser acknowledges that Seller may be entering into this transaction in connection with a tax-deferred exchange (the "Exchange") and if requested by Seller, Purchaser shall cooperate with Seller's request to effectuate such Exchange, including executing any documents, instruments or agreements reasonably requested by Seller provided Purchaser shall not be obligated to (i) expend any costs in connection with such Exchange or (ii) accept or assume any additional obligations or liabilities in connection with such Exchange.

26. **TRANSFER AND RECORDATION TAXES: (Select either A or B)**

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**A. Purchaser is NOT a First Time Maryland Homebuyer:** Section 14-104(b) of the Real Property Article of the Annotated Code of Maryland ("Real Property Article") 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 purchaser and seller. **PURCHASER AND SELLER EXPRESSLY AGREE THAT THE COST OF ALL STATE RECORDATION TAX, STATE TRANSFER TAX AND LOCAL (COUNTY) TRANSFER TAX SHALL BE PAID SOLELY BY THE PURCHASER.**

OR

**B. Purchaser is a First Time Maryland Homebuyer:**

1) To qualify as a First-Time Maryland Homebuyer, each Purchaser must sign a statement under oath stating that:

a. The Purchaser has never owned residential real property in Maryland that has been the individual's principal residence; AND the Property will be occupied as a principal residence;

OR

b. The Purchaser is a Co-Maker or Guarantor of a mortgage or deed of trust to be secured by the Property AND the Co-Maker or Guarantor will NOT occupy the Property as a principal residence.

2) If Purchaser is a First Time Maryland Homebuyer, then:

a. Under Section 13-203(b) of the Tax Property Article Annotated Code of Maryland, the amount of State Transfer Tax due on the sale of the Property is reduced from .50% to .25% and shall be paid by the seller;

AND

b. Under Section 14-104(c) of the Real Property Article, the entire amount of the recordation tax and the local (county) transfer tax shall be paid by the Seller unless there is an express written agreement stating otherwise. **PURCHASER AND SELLER EXPRESSLY AGREE THAT THE COST OF STATE RECORDATION TAX AND LOCAL (COUNTY) TRANSFER TAX SHALL BE PAID SOLELY BY THE PURCHASER.**

Purchaser and Seller expressly agree that payment of the recordation and local (county) transfer tax shall be shared equally between Purchaser and Seller unless the space provided above in this subparagraph is completed specifying a different express agreement. (Note: In the event the purchaser elects to pay all of State Recordation Tax and Local (County) Transfer Tax, the Seller must still pay the non-waived portion of the State Transfer Tax.)

**27. FEDERAL LEAD-BASED PAINT REGULATIONS:**

**Lead-Based Paint Hazard:** A Seller who fails to give the required Lead Paint - Federal Disclosure ("Federal Lead Disclosure") and EPA Pamphlet "Information and Disclosure of Lead-Based Paint and Lead-Based Paint Hazards" (pre 1978 properties) may be liable under Federal law for three times the amount of damages. The foregoing Federal Lead Disclosure and EPA Pamphlet are hereinafter collectively referred to as the "Required Lead Paint Information". The Seller represents that this residential Property  was built prior to 1978 OR  was not built prior to 1978 OR  building date is **uncertain**. If the dwelling(s) was built prior to 1978 or if the building date is uncertain, this Contract is not complete and is not ratified unless, prior to ratification, the Purchaser acknowledges receipt of the Required Lead Paint Information and has either taken the opportunity to incorporate a Lead-Based Paint Inspection contingency or waived such right. The Seller and any agent involved in the transaction are required to retain a copy of the completed Lead Paint Disclosure forms for a period of 3 years following the date of settlement. The Seller and Purchaser acknowledge by their respective initials below that they have read and understand the provisions of this paragraph.

\_\_\_\_\_/\_\_\_\_\_/ Seller's Initials      \_\_\_\_\_/\_\_\_\_\_ Purchaser's Initials

**28. NOTICES:** All notices under this Contract shall be in writing. Notices to the Seller shall be effective when delivered to the Seller. Notices to the Purchaser shall be effective when delivered to the Purchaser. "Purchaser" means "Buyer" and vice versa. "Delivery" means hand carried, sent by overnight delivery service, sent by wired or electronic medium which produces a tangible record of the transmission (such as telegram, mailgram, telecopier or "Fax", email which includes an attachment with an actual copy of the executed instruments being transmitted, or U.S. Postal mailing). In the event of overnight delivery service, Delivery will be deemed to have been made on the next business Day following the sending, unless earlier receipt is acknowledged in writing. In the event of U.S. Postal mailing, Delivery will be deemed to have been made on the third business Day following the mailing, unless earlier receipt is acknowledged in writing.

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- 29. COOPERATIVE/CONDOMINIUM ASSOCIATION APPROVAL:** If this sale is subject to the approval or right of first refusal of the Council of Unit Owners or Board of Directors of the Cooperative/Condominium, then Seller agrees to immediately present this Contract to such Council or Board for their action or consideration. In the event this sale is disallowed by the appropriate Cooperative/Condominium authority, this Contract shall be null and void, and the Deposit shall be refunded when an "Agreement of Release" is signed or in accordance with the provisions of this Contract. **The Property IS NOT part of a Cooperative/Condominium.**
- 30. FOREIGN INVESTMENT TAXES - FIRPTA:** Section 1445 of the United States Internal Revenue Code of 1986 provides that a buyer of a residential real property located in the United States must withhold federal income taxes from the payment of the purchase price if (a) the purchase price exceeds Three Hundred Thousand Dollars (\$300,000.00) or the purchase price is less than or equal to Three Hundred Thousand Dollars (\$300,000.00) and the property will not be owner occupied, and (b) Seller is a foreign person for purposes of U.S. income taxation. A foreign person includes, but is not limited to, a non-resident alien, foreign corporation, foreign partnership, foreign trust or foreign estate (as those terms are defined by the Internal Revenue Code and applicable regulations). In the event the Seller is a foreign person (as described above), the Seller will be subject to the withholding provisions of FIRPTA. If the Seller is not a foreign person, the Seller agrees to execute an affidavit to this effect at the time of Settlement.
- 31. VOID CONTRACT:** If this Contract becomes void, all principals will immediately execute a release directing that the Deposit be refunded in full to the Purchaser according to the terms of the DEPOSIT paragraph. Except with respect to disbursement of the Deposit at Settlement hereunder, the Deposit and accrued interest, if any, shall be given or returned to any of the principals to this transaction only when an "Agreement of Release" has been ratified by all principals, in accordance with the laws and regulations of the appropriate jurisdiction.
- 32. MARYLAND NON-RESIDENT SELLER:** Except as otherwise provided by Maryland law, if the Property is not the Seller's principal residence, and the Seller is a nonresident individual of the State of Maryland or is a non-resident entity which is not formed under the laws of the State of Maryland or qualified to do business in the State of Maryland, a portion of the proceeds of sale may be withheld at the time of settlement and paid to the State of Maryland towards a potential capital gains tax liability. For more information see: [www.marylandtaxes.com](http://www.marylandtaxes.com)
- 33. SINGLE FAMILY RESIDENTIAL REAL PROPERTY DISCLOSURE NOTICE:** Maryland purchasers are advised of the right to receive a Disclosure and Disclaimer Statement from seller unless exempt (Section 10-702 Real Property Article, Annotated Code of Maryland).
- 34. WETLANDS NOTICE:** The Purchaser is advised that if all or a portion of the Property being purchased is wetlands, the approval of the U.S. Army Corps of Engineers will be necessary before a building permit can be issued for the Property. Additionally, the future use of existing dwellings may be restricted due to wetlands. The Corps has adopted a broad definition of wetlands, which encompasses a large portion of the Chesapeake Bay Region. Other portions of the State may also be considered wetlands. For information as to whether the Property includes wetlands, Purchaser may contact the Baltimore District of the U.S. Army Corps of Engineers. Purchaser may also elect, at Purchaser's expense, to engage the services of a qualified specialist to inspect the Property for the presence of wetlands prior to submitting a written offer to purchase the Property, or Purchaser may include in Purchaser's written offer, subject to the Seller's acceptance, a clause making Purchaser's purchase of the Property contingent upon a satisfactory wetlands inspection.
- 35. RENOVATION, REPAIR AND PAINTING OF PROPERTY:** In accordance with the Lead Renovation, Repair and Painting Rule ("RRP") as adopted by the Environmental Protection Agency ("the EPA"), effective April 22, 2010, if the improvements on the Property were built before 1978, contractor(s) engaged by Seller to renovate, repair or paint the Property must be certified by the EPA where such work will disturb more than six square feet of paint per room for interior projects; more than 20 square feet of paint for any exterior project; or includes window replacement or demolition ("Covered Work"). Before and during any Covered Work project, contractor(s) must comply with all requirements of the RRP.

A Seller who personally performs any Covered Work on a rental property is required to be certified by the EPA prior to performing such Covered Work. No certification is required for a Seller who personally performs Covered Work on a Seller's principal residence. However, Seller has the ultimate responsibility for the safety of Seller's family or children while performing such

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Covered Work. For detailed information regarding the RRP, Seller should visit: <http://www2.epa.gov/lead/renovation-repair-and-painting-program>

Purchaser and Seller acknowledge that they have read and understand the provisions of this Section.

\_\_\_\_ / \_\_\_\_\_ Seller's Initials

\_\_\_\_ / \_\_\_\_\_ Purchaser's Initials

**36. CRITICAL AREAS ADDENDUM:** Purchaser 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 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 the tide. For information as to whether the property is located within the Critical Area, Purchaser 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.

**37. PROPERTY TAX NOTICE 60 DAY APPEAL:** If any real property is transferred after January 1 and before the beginning of the next taxable year to a new owner, the new owner may submit a written appeal as to a value or classification on or before 60 days after the date of the transfer.

**38. NOTICE CONCERNING CONSERVATION EASEMENTS:** If the Property is encumbered by a Conservation Easement as defined in Section 10-705 of the Real Property Article, Annotated Code of Maryland, this Contract must include the following notice concerning the easement. **The Property (CHECK ONE)  IS  IS NOT encumbered by one or more conservation easements or other restrictions limiting or affecting uses of the Property. Maryland law requires that the seller deliver to the Purchaser copies of all conservation easements on or before the date the contract is entered into. Purchaser should review all conservation easements carefully to ascertain the Purchaser's rights, responsibilities, and obligations under each conservation easement, including any requirement that after the sale the Purchaser must inform the owner of the conservation easement of the sale of the property.**

**39. GROUND RENT:** If the Property is subject to ground rent and the ground rent is not timely paid, the ground lease holder (i.e., the person to whom the ground rent is payable) may bring an action under Section 8-402.3 of the Real Property Article, Annotated Code of Maryland. As a result of this action a lien may be placed upon the property. If the Property is subject to ground rent, Sections 14-116 and 14-116.1 of the Real Property Article provide the purchaser, upon obtaining ownership of the Property, with certain rights and responsibilities relative to the ground rent. **The Property IS NOT subject to a ground lease.**

**40. APPRAISAL CONTINGENCY**  \_\_\_\_\_ (This section is applicable (a) only if checked and initialed by Seller and (b) for the first Executed Purchase Contract associated with the Right to Purchase Agreement and there shall be no Appraisal Contingency thereafter.)

Appraisal Contingency. Purchaser shall have the right to terminate this Contract in the event an Appraisal (defined below) obtained by Purchaser certifies an appraised value for the Premises that is less than the Purchase Price ("Appraisal Contingency"). For purposes hereof, the "Appraisal" must be in writing, prepared and signed by a licensed real estate appraiser in the state in which the Premises is located, and must be dated no earlier than the Date of Ratification and no later than the scheduled Settlement Date set forth above (as same may be extended in writing). In order to terminate this Contract due to an Appraisal Contingency, Purchaser must provide Seller, prior to the scheduled Settlement Date, with a written notice of such termination together with a copy of the Appraisal satisfying the foregoing requirements. Promptly after such termination due to an Appraisal Contingency, the earnest money (minus any out-of-pocket costs incurred by Seller in connection with preparing for the Settlement such as ordering a title commitment or obtaining a pay-off letter, which amounts shall be retained by Seller) shall be promptly refunded to Purchaser.

**41. ADDENDA:** The addenda checked below and attached hereto are incorporated into this Contract by reference and are an integral part of this Contract.

\_\_\_\_ Addendum #1 – Maryland Residential Property Disclosure and Disclaimer Statement

\_\_\_\_ Addendum #2 – Lead Paint – Federal Disclosure

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\_\_\_ Addendum #3 – Maryland Lead Poisoning Prevention Program Disclosure  
 \_\_\_ Addendum #4 – Homeowners Association (HOA) Seller Disclosure/Resale Addendum for Maryland  
 \_\_\_ Addendum #5 – Jurisdictional Addendum for \_\_\_\_\_ County, Maryland  
 \_\_\_ Other: \_\_\_\_\_

**42. ELECTRONIC SIGNATURES** In accordance with the Uniform Electronic Transactions Act (UETA) and the Electronic Signatures in Global and National Commerce Act, or E-Sign (the Act), and other applicable local or state legislation regarding Electronic Signatures and Transactions, the parties do hereby expressly authorize and agree to the use of electronic signatures as an additional method of signing and/or initialing this Contract. The parties hereby agree that either party may sign electronically by utilizing a digital signature service.

Seller: \_\_\_/\_\_\_ Purchaser: \_\_\_/\_\_\_

IN WITNES WHEREOF, the parties have executed this Contract as of the Date of Ratification indicated below.

SELLER:

PURCHASER:

\_\_\_\_\_, a \_\_\_\_\_

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

\_\_\_\_\_  
Print Name

By: \_\_\_\_\_

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

\_\_\_\_\_  
Print Name

Printed Name: \_\_\_\_\_

Title: Authorized Agent

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

\_\_\_\_\_  
Print Name

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

Purchaser's Address if different from the Premises:

Seller's Address:

120 S. Riverside Plaza, Suite 2000  
 Chicago, Illinois 60606  
 Attention: Closing Department

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

Date of Ratification (see DEFINITIONS):

\_\_\_\_\_, 20\_\_

SAMPLE DO NOT SIGN

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
 RTP - MD: 2020-03

**Addendum #1**

**MARYLAND RESIDENTIAL PROPERTY DISCLOSURE AND DISCLAIMER STATEMENT**

Property Address: \_\_\_\_\_

Legal Description: \_\_\_\_\_

**NOTICE TO SELLER AND PURCHASER**

Section 10-702 of the Real Property Article, *Annotated Code of Maryland*, requires the owner of certain residential real property to furnish to the purchaser either (a) a RESIDENTIAL PROPERTY DISCLAIMER STATEMENT stating that the owner is selling the property "as is" and makes no representations or warranties as to the condition of the property or any improvements on the real property, except as otherwise provided in the contract of sale, or in a listing of latent defects; or (b) a RESIDENTIAL PROPERTY DISCLOSURE STATEMENT disclosing defects or other information about the condition of the real property actually known by the owner. Certain transfers of residential property are excluded from this requirement (see the exemptions listed below).

10-702. EXEMPTIONS. The following are specifically excluded from the provisions of §10-702:

1. The initial sale of single family residential real property:
  - A. that has never been occupied; or
  - B. for which a certificate of occupancy has been issued within 1 year before the seller and purchaser enter into a contract of sale;
2. A transfer that is exempt from the transfer tax under §13-207 of the Tax-Property Article, except land installment contracts of sales under §13-207(a) (11) of the Tax-Property Article and options to purchase real property under §13-207(a)(12) of the Tax-Property Article;
3. A sale by a lender or an affiliate or subsidiary of a lender that acquired the real property by foreclosure or deed in lieu of foreclosure;
4. A sheriff's sale, tax sale, or sale by foreclosure, partition, or by court appointed trustee;
5. A transfer by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
6. A transfer of single family residential real property to be converted by the purchaser into use other than residential use or to be demolished; or
7. A sale of unimproved real property.

Section 10-702 also requires the owner to disclose information about latent defects in the property that the owner has actual knowledge of. The owner must provide this information even if selling the property "as is." "Latent defects" are defined as: Material defects in real property or an improvement to real property that:

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

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
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**MARYLAND RESIDENTIAL PROPERTY DISCLAIMER STATEMENT (continued)**

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

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

The owner(s) has actual knowledge of the following latent defects: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Property Address: \_\_\_\_\_

Owner \_\_\_\_\_ Date \_\_\_\_\_  
\_\_\_\_\_, a \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: Authorized Agent

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

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

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

**SAMPLE DO NOT SIGN**

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
RTP - MD: 2020-03



Addendum #2

Lead Paint - Federal Disclosure
Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards

Property Address: \_\_\_\_\_

LEAD WARNING STATEMENT

Every purchaser/tenant 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.

SELLER'S/LANDLORD'S DISCLOSURE (initial)

- (a) Presence of lead-based paint and/or lead-based paint hazards (check one below)
(b) Records and reports available to the seller/landlord (check one below)

PURCHASER'S/TENANT'S ACKNOWLEDGMENT (initial)

- (c) Purchaser/Tenant has read the Lead Warning Statement above
(d) Purchaser/Tenant has received copies of all information listed above.
(e) Purchaser/Tenant has received the pamphlet Protect Your Family From Lead in Your Home.
(f) Purchaser has (check one below)

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/LANDLORD: \_\_\_\_\_, a \_\_\_\_\_

PURCHASER/TENANT: \_\_\_\_\_ Date: \_\_\_\_\_
Print Name

By: \_\_\_\_\_
Printed Name: \_\_\_\_\_
Title: Authorized Agent

\_\_\_\_\_ Date: \_\_\_\_\_
Print Name

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

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_
RTP - MD: 2020-03

Addendum #3

MARYLAND LEAD POISONING PREVENTION PROGRAM DISCLOSURE

Property Address: \_\_\_\_\_

MARYLAND LEAD POISONING PREVENTION PROGRAM DISCLOSURE: Under the Maryland Lead Poisoning Prevention Program (the "Maryland Program"), any leased residential dwelling constructed prior to 1978 is required to be registered with the Maryland Department of the Environment (MOE). Detailed information regarding compliance requirements may be obtained at: <http://www.mde.state.md.us/programs/Land/LeadPoisoningPrevention/Pages/index.aspx>.

1. Seller hereby discloses that the Property was constructed prior to 1978;

AND

The Property \_\_\_\_\_ IS or \_\_\_\_\_ IS NOT registered in the Maryland Program (Seller to initial applicable line).

2. If the Property was constructed prior to 1978 and Purchaser intends to lease the Property effective immediately following settlement or in the future, Purchaser is required to register the Property with the Maryland Department of the Environment within thirty (30) days following the date of settlement or within thirty (30) days following the conversion of the Property to rental property as required by the Maryland Program. Purchaser is responsible for full compliance under the Maryland Program, including but not limited to, registration; inspections; lead-paint risk reduction and abatement procedures; payment of all fees, costs and expenses; and the notice requirements to tenants.

3. If the Property is registered under the Maryland Program as indicated above, Seller further discloses to Purchaser that an event as defined under the Maryland Program (including, but not limited to, notice of the existence of lead-based paint hazards or notice of elevated blood lead levels from a tenant or state, local or municipal health agency) (Seller to initial applicable line) \_\_\_\_\_ HAS; or \_\_\_\_\_ HAS NOT occurred, which obligates Seller to perform either the modified or full risk reduction treatment of the Property as required under the Maryland Program. If an event has occurred that obligates Seller to perform either the modified or full risk reduction treatment of the Property, Seller hereby discloses the scope of such treatment as follows:

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

If such event has occurred, Seller (Seller to initial applicable line) \_\_\_\_\_ WILL; OR \_\_\_\_\_ WILL NOT perform the required treatment prior to transfer of title of the Property to Purchaser.

ACKNOWLEDGEMENT: Purchaser acknowledges by Purchaser's initials that Purchaser has read and understands the above Paragraphs. \_\_\_\_\_ I \_\_\_\_\_ (PURCHASER)

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

SELLER: \_\_\_\_\_

PURCHASER: \_\_\_\_\_ Date: \_\_\_\_\_

Print Name

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_

Print Name \_\_\_\_\_ Date: \_\_\_\_\_

Title: Authorized Agent

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

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
RTP - MD: 2020-03

EXHIBIT B

**Addendum #4**

**Homeowners Association (HOA) Seller Disclosure/Resale Addendum for Maryland**

Name of Purchaser \_\_\_\_\_  
Property Address \_\_\_\_\_  
City \_\_\_\_\_, State \_\_\_\_\_ Zip \_\_\_\_\_ Lot: \_\_\_\_\_  
Block/Square: \_\_\_\_\_ Unit: \_\_\_\_\_ Section: \_\_\_\_\_ Tax ID # \_\_\_\_\_  
Parking Space(s) # \_\_\_\_\_ Storage Unit(s) # \_\_\_\_\_ Subdivision/Project: \_\_\_\_\_

**PART 1 - SELLER DISCLOSURE:**

1. **SELLER'S ACKNOWLEDGMENT: ALL INFORMATION HEREIN WAS COMPLETED BY THE SELLER.**  
The information contained in this Disclosure issued pursuant to Section 11B-106(b) of the Maryland Homeowners Association Act is based on the Seller's actual knowledge and belief and is current as of the date hereof.

2. **NAME OF HOMEOWNERS ASSOCIATION:** The Lot, which is the subject of this Contract, is located within a Development and is subject to the \_\_\_\_\_ Homeowners Association.

3. **CURRENT FEES AND ASSESSMENTS:** Fees and assessments as of the date hereof amount respectively to:  
A. **HOA Fee:** Potential buyers are hereby advised that the present HOA fee for the subject unit and parking space or storage unit, if applicable, is \$ \_\_\_\_\_ per \_\_\_\_\_  
B. **Special Assessments:**  No  Yes (If yes, complete 1-4 below)  
1) Reason \_\_\_\_\_ for \_\_\_\_\_ Assessment: \_\_\_\_\_  
2) Payment Schedule: \$ \_\_\_\_\_ per \_\_\_\_\_  
3) Number of payments remaining \_\_\_\_\_ as of \_\_\_\_\_ (Date)  
4) Total Special Assessment balance remaining: \$ \_\_\_\_\_  
C. **Delinquency:** Are there any delinquent Fees and/or Special Assessments?  No  Yes  
D. **Fee Includes:** The following are included in the HOA Fee:  
 None  Trash  Lawn Care  Other \_\_\_\_\_

4. **FEES DURING PRIOR FISCAL YEAR:** The total amount of fees, assessments and other charges imposed by the HOA upon the Lot during the prior fiscal year of the HOA is as follows:  
Fees: \$ \_\_\_\_\_  
Assessments: \$ \_\_\_\_\_  
Other Charges: \$ \_\_\_\_\_  
Total: \_\_\_\_\_

5. **PARKING AND STORAGE:** Parking space(s) and storage unit(s) may be designated by the Association Documents as: 1) general common elements for general use (possibly subject to a lease or license agreement), 2) limited common elements assigned for the exclusive use of a particular unit, or 3) conveyed by deed. The following parking and/or storage units convey with this property:  
 Parking Space #(s) \_\_\_\_\_  is  is not conveyed by deed. If conveyed by deed, Lot \_\_\_\_\_ Block \_\_\_\_\_ and Tax ID# \_\_\_\_\_, Lot \_\_\_\_\_ Block \_\_\_\_\_ and Tax ID# \_\_\_\_\_  
 Storage Unit #(s) \_\_\_\_\_  is  is not conveyed by deed. If conveyed by deed, Lot \_\_\_\_\_ Block \_\_\_\_\_ and Tax ID# \_\_\_\_\_, Lot \_\_\_\_\_ Block \_\_\_\_\_ and Tax ID# \_\_\_\_\_

6. **MANAGEMENT AGENT OR AUTHORIZED PERSON:** The management agent or person authorized by the HOA to provide information to the public regarding the HOA and the Development is as follows:  
Name: \_\_\_\_\_ Phone: \_\_\_\_\_

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
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Address: \_\_\_\_\_

[OR] No agent or officer is presently authorized by the HOA to provide to the public information regarding the HOA and the Development. If none, please initial here \_\_\_\_\_/\_\_\_\_\_

7. **SELLER'S KNOWLEDGE OF UNSATISFIED JUDGMENTS OR LAWSUITS:** The Seller has no actual knowledge of any unsatisfied judgments, or pending lawsuits against the Homeowners Association, except as noted:

8. **SELLER'S KNOWLEDGE OF PENDING CLAIMS, COVENANT VIOLATIONS OR DEFAULT:** The Seller has no actual knowledge of any pending claims, covenant violations, actions or notices of default against the Lot, except as noted:

9. **NOTICE TO SELLER REGARDING OBLIGATIONS TO NOTIFY THE HOA:** WITHIN THIRTY (30) CALENDAR DAYS OF ANY RESALE TRANSFER OF A LOT WITHIN A DEVELOPMENT, THE TRANSFEROR [SELLER] SHALL NOTIFY THE HOMEOWNERS ASSOCIATION FOR THE PRIMARY DEVELOPMENT OF THE TRANSFER. THE NOTIFICATION SHALL INCLUDE, TO THE EXTENT REASONABLY AVAILABLE, THE NAME AND ADDRESS OF THE TRANSFEROR [SELLER], THE DATE OF TRANSFER, THE NAME AND ADDRESS OF ANY MORTGAGEE, AND THE PROPORTIONATE AMOUNT OF ANY OUTSTANDING HOMEOWNERS ASSOCIATION FEE OR ASSESSMENT ASSUMED BY EACH OF THE PARTIES TO THE TRANSACTION.

10. **NOTICE OF PURCHASER'S RIGHT TO RECEIVE DOCUMENTS PURSUANT TO THE MARYLAND HOMEOWNERS ASSOCIATION ACT (HOA DOCUMENTS):**

THIS SALE IS SUBJECT TO THE REQUIREMENTS OF THE MARYLAND HOMEOWNERS ASSOCIATION ACT (THE "ACT"). THE ACT REQUIRES THAT THE SELLER DISCLOSE TO YOU AT OR BEFORE THE TIME THE CONTRACT IS ENTERED INTO, OR WITHIN 20 CALENDAR DAYS OF ENTERING INTO THE CONTRACT, CERTAIN INFORMATION CONCERNING THE DEVELOPMENT IN WHICH THE LOT YOU ARE PURCHASING IS LOCATED. THE CONTENT OF THE INFORMATION TO BE DISCLOSED IS SET FORTH IN § 11B-106(B) OF THE ACT (THE "MHA INFORMATION") AS FOLLOWS:

§11B-106(B) THE VENDOR SHALL PROVIDE THE PURCHASER THE FOLLOWING INFORMATION IN WRITING:

- (1) A STATEMENT AS TO WHETHER THE LOT IS LOCATED WITHIN A DEVELOPMENT;
- (2) (I) THE CURRENT MONTHLY FEES OR ASSESSMENTS IMPOSED BY THE HOMEOWNERS ASSOCIATION UPON THE LOT;
  - (II) THE TOTAL AMOUNT OF FEES, ASSESSMENTS, AND OTHER CHARGES IMPOSED BY THE HOMEOWNERS ASSOCIATION UPON THE LOT 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 LOT 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 THE OWNER 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 LOT; 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

SAMPLED - DO NOT SIGN

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
RTP - MD: 2020-03

TO THE EXTENT REASONABLY AVAILABLE, TO WHICH THE PURCHASER SHALL BECOME OBLIGATED ON BECOMING AN OWNER OF THE LOT, 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 THE PURCHASER SHALL BECOME OBLIGATED ON BECOMING AN OWNER OF THE LOT, INCLUDING A STATEMENT THAT THESE OBLIGATIONS ARE ENFORCEABLE AGAINST AN OWNER AND THE OWNER'S TENANTS, IF APPLICABLE.

**IF YOU HAVE NOT RECEIVED ALL OF THE MHAA INFORMATION FIVE (5) CALENDAR DAYS OR MORE BEFORE ENTERING INTO THE CONTRACT, YOU HAVE FIVE (5) CALENDAR DAYS TO CANCEL THIS CONTRACT AFTER RECEIVING ALL OF THE MHAA INFORMATION. YOU MUST CANCEL THE CONTRACT IN WRITING, BUT YOU DO NOT HAVE TO STATE A REASON.**

THE SELLER MUST ALSO PROVIDE YOU WITH NOTICE OF ANY CHANGES IN MANDATORY FEES EXCEEDING 10% OF THE AMOUNT PREVIOUSLY STATED TO EXIST AND COPIES OF ANY OTHER SUBSTANTIAL AND MATERIAL AMENDMENT TO THE INFORMATION PROVIDED TO YOU. YOU HAVE THREE (3) CALENDAR DAYS TO CANCEL THIS CONTRACT 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 YOU.

IF YOU DO CANCEL THE CONTRACT YOU WILL BE ENTITLED TO A REFUND OF ANY DEPOSIT YOU MADE ON ACCOUNT OF THE CONTRACT. HOWEVER, UNLESS YOU RETURN THE MHAA INFORMATION TO THE SELLER WHEN YOU CANCEL THE CONTRACT, THE SELLER MAY KEEP OUT OF YOUR DEPOSIT THE COST OF REPRODUCING THE MHAA INFORMATION, OR 100, WHICHEVER AMOUNT IS LESS.

BY PURCHASING A LOT WITHIN THIS DEVELOPMENT, YOU 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.

YOU SHOULD REVIEW THE MHAA INFORMATION CAREFULLY TO ASCERTAIN YOUR RIGHTS, RESPONSIBILITIES, AND OBLIGATIONS WITHIN THE DEVELOPMENT.

SELLER: \_\_\_\_\_

PURCHASER: \_\_\_\_\_ Date: \_\_\_\_\_  
Print Name

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: Authorized Agent

\_\_\_\_\_ Date: \_\_\_\_\_  
Print Name

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

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
RTP - MD: 2020-03

**Addendum #4**  
**PART II - RESALE ADDENDUM**

The Contract of Sale dated \_\_\_\_\_, between Seller \_\_\_\_\_ and Purchaser \_\_\_\_\_ is hereby amended by the incorporation of Parts I and II herein, which shall supersede any provisions to the contrary in the Contract.

1. **DEED AND TITLE/TITLE:** Paragraph \_\_\_\_ is amended to include the agreement of the Purchaser to take title subject to commonly acceptable easements, covenants, conditions and restrictions of record contained in HOA instruments, and the right of other owners in the Common Elements of the HOA and the operation of the HOA.

2. **PAYMENT OF FEES AND ASSESSMENTS:** Purchaser agrees to pay such Fees and/or other special assessments as the Board of Directors or Association of the HOA may from time to time assess against the unit, parking space and storage unit (as applicable) for the payment of operating and maintenance or other proper charges. Regarding any existing or levied but not yet collected special assessments: The  Seller agrees to pay OR  Purchaser agrees to assume at the time of settlement any special assessments as disclosed in the Current Fees and Assessments paragraph of part 1 of this Addendum.

3. **ASSUMPTION OF HOA OBLIGATIONS:** Purchaser hereby agrees to assume each and every obligation of, to be bound by and to comply with the covenants and conditions contained in the HOA instruments and with the Rules and Regulations and covenants and restrictions of the HOA, from and after the date of settlement hereunder.

4. **RIGHT TO CANCEL:** Purchaser shall have the right for a period of five (5) days following Purchaser's receipt of the HOA documents and statements referred to in Paragraph 10 of Part I of this Addendum, to cancel this Contract by giving Notice thereof to Seller. In the event that such HOA documents and statements are delivered to Purchaser on or prior to the ratification of this Contract by Purchaser, such five (5) day period shall commence upon ratification of this Contract. If the HOA documents and statements are not delivered to Purchaser within the 20 day time period referred to in the HOA Documents Paragraph (paragraph 10 of Part 1 of this Addendum), Purchaser shall have the option to cancel this Contract by giving Notice thereof to Seller prior to receipt by Purchaser of such HOA documents and statements. Pursuant to the provisions of this paragraph, in no event may the Purchaser have the right to cancel this Contract after Settlement.

SELLER:  
\_\_\_\_\_, a \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: Authorized Agent

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

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

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

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
RTP - MD: 2020-03

EXHIBIT B

**Addendum #5**

**NOTE: ATTACH ONE OF THE FOLLOWING COUNTY-SPECIFIC ADDENDA AS APPROPRIATE**

**SAMPLE DO NOT SIGN**

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Purchase Right Holder Name: \_\_\_\_\_

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Premises Address: \_\_\_\_\_  
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**Addenda #5**

**HOWARD COUNTY**

**MASTER PLAN.** Seller hereby notifies Purchaser of Purchaser's rights to examine the Howard County general plan and zoning maps. Purchaser understands that in order to become fully informed of current and future roadway improvements and land use plans affecting the property or area, the Purchaser should consult the appropriate county agency for information regarding the plans. Purchaser may contact the Howard County Department of Planning and Zoning, 3430 Courthouse Drive, Ellicott City, Maryland 21043.

**Purchaser hereby acknowledges receipt of this notice.**

**Purchaser's Signature** \_\_\_\_\_

**Purchaser's Signature** \_\_\_\_\_

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

**SAMPLE DO NOT SIGN**

---

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
RTP - MD: 2020-03

Addenda #5

MONTGOMERY COUNTY

**MASTER PLAN.** Seller hereby notifies Purchaser of Purchaser's rights to examine the Montgomery County general plan and zoning maps and any municipal land use plan for the area in which the property is located and any adopted amendment to such a plan. Purchaser understands that in order to be become fully informed of current and future land uses, roads and highways, parks and other public facilities affecting the property or the area contained in the plan, the Purchaser should consult the appropriate county agency for information regarding the plans. Purchaser may contact the Montgomery County Planning Department, 8787 Georgia Ave., Silver Spring, MD 20910.

**Purchaser hereby acknowledges that (1) The seller has offered the Purchaser the opportunity to review the applicable master plan and municipal land use plan and any adopted amendment; (2) The seller has informed the Purchaser that amendments affecting the plan may be pending before the planning board or the county council or a municipal planning body; (3) (A) The Purchaser has reviewed each plan and adopted amendment; or (B) The Purchaser has waived the right to review each plan and adopted amendment; and (4) The Purchaser understands that, to stay informed of future changes in county and municipal land use plans, the Purchaser should consult the planning board and the appropriate municipal planning body.**

Purchaser's Signature \_\_\_\_\_

Purchaser's Signature \_\_\_\_\_

**The Property (Seller initial) is \_\_\_\_\_ /is not \_\_\_\_\_ located in the City of Rockville.**

**CITY OF ROCKVILLE LAND USE PLAN.** Seller hereby notifies Purchaser of Purchaser's rights to examine the City of Rockville Approved and Adopted Land Use Plan Map portion of the plan for the City of Rockville and all amendments to the Map. Purchaser understands that in order to be become fully informed of current and future roadway improvements and land use plans affecting the property or area, the Purchaser should consult the appropriate county agency for information regarding the plans. Purchaser may contact the City of Rockville Planning Commission at Rockville City Hall, 111 Maryland Avenue, Rockville, MD 20850.

**Purchaser hereby acknowledges receipt of this notice. Purchaser acknowledged that Purchaser has been afforded an opportunity to review the Land Use Plan Map.**

Purchaser's Signature \_\_\_\_\_

Purchaser's Signature \_\_\_\_\_

**DISCLOSURE OF AVAILABILITY OF WATER AND SEWER SERVICE:** To the extent Seller knows, Seller hereby notifies Purchaser: (1) the property (Seller initial) is \_\_\_\_\_ /is not \_\_\_\_\_ connected to, or has been approved for connection to, a public water and sewer system; (2) if the property (Seller initial) is \_\_\_\_\_ /is not \_\_\_\_\_ connected to a public water and sewer system: (A) the source, if any, of potable water for the property is \_\_\_\_\_; and (B) an individual sewage disposal system (Seller initial) has \_\_\_\_\_ has not \_\_\_\_\_ been constructed on the property or (circle one) approved or disapproved for construction; and (3) (A) the water and sewer service area category or categories that currently apply to the property are \_\_\_\_\_, and the category affects the availability of water and sewer service in the following way \_\_\_\_\_; (B) there (Seller initial) are \_\_\_\_\_ /are not \_\_\_\_\_ recommendations in the applicable master plan regarding water and sewer service to the property; and (C) there (Seller initial) are \_\_\_\_\_ /are not \_\_\_\_\_ pending water and sewer comprehensive plan amendments or service area category changes that would apply to the property.

**Purchaser hereby acknowledges that: (1) The seller has provided the information required above, or the seller has informed the Purchaser that the seller does not know the information regarding water and sewer service above; and (2) The Purchaser understands that, to stay informed of future changes in County and municipal water and sewer plans, the Purchaser 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.**

Purchaser's Signature \_\_\_\_\_

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
RTP - MD: 2020-03

Purchaser's Signature \_\_\_\_\_

**DISCLOSURE OF AIRPORT OR HELIPORT:** Seller hereby notified there (Seller initial) is \_\_\_\_\_ /is not \_\_\_\_\_ an airport or heliport as defined in the county zoning ordinance, existing within five-mile radius of property, located \_\_\_\_\_ relative to the property.

**DISCLOSURE OF COSTS ATTRIBUTABLE TO TRANSPORTATION RELATED FACILITIES:** Seller herewith informs Purchaser of the existence of deferred charges attributable to transportation-related facilities for which Purchaser assumes liability in the estimated amount of \$ \_\_\_\_\_ dollars.

NOTICE OF SPECIAL ASSESSMENTS/SPECIAL TAX

(COMPLETE IF APPLICABLE) Each year the Purchaser of the Unit may pay a special assessment or special tax imposed under Chapter 14 of the Montgomery County Code. As of the Date of Ratification, the special assessment or special tax on the Unit amounts to \$ \_\_\_\_\_ (dollar amount in Arabic numbers) each year. As of \_\_\_\_\_ (date of each scheduled increase), the assessment or tax is scheduled to increase to \_\_\_\_\_ (amount after each scheduled increase). For further information on this assessment or tax, the Purchaser can contact the County Department of Finance at (301) 217-2920.

(CHECK IF APPLICABLE): An increase in the foregoing special assessment or special tax is likely to occur in the foreseeable future but the timing or amount of the increase is not certain as of the Date of Ratification.

**DISCLOSURE OF LOCATION IN SPECIAL PROTECTION AREA:** Seller hereby notifies Purchaser that the Property (Seller initial) is \_\_\_\_\_ /is not \_\_\_\_\_ located in an area designated as a Special Protection Area under Section 19-62 due to the existence of (1) existing water resources, or other environmental features directly relating to those water resources, are of high quality or unusually sensitive; or (2) proposed land uses would threaten the quality or preservation of those resources or features in the absence of special water quality protection measures which are closely coordinated with appropriate land use controls.

**Purchaser hereby acknowledges that (1) the seller has provided the information required above; and (2) the Purchaser understands that special water quality measures and certain restrictions on land uses and impervious surfaces may apply to this property.**

Purchaser's Signature \_\_\_\_\_

Purchaser's Signature \_\_\_\_\_

**HISTORIC PROPERTY NOTICE:** Seller hereby discloses to Purchaser that the Property (Seller initial) has \_\_\_\_\_ /has not \_\_\_\_\_ been designated as a historic site in the master plan for historic preservation; is located in an area designated as a historic district in that plan; or is listed as a historic resource on the County locational atlas of historic sites.

**Purchaser hereby acknowledges that (1) the seller has provided the information required above; and (2) the Purchaser understands that special restrictions on land uses and physical changes may apply to this property, and the Purchaser may obtain more information about these restrictions from the staff of the County Historic Preservation Commission.**

Purchaser's Signature \_\_\_\_\_

Purchaser's Signature \_\_\_\_\_

**REAL PROPERTY SOLD IN AGRICULTURAL ZONES.** As required under Montgomery County Code § 40-12B, you are hereby notified that the state of Maryland and Montgomery County have enacted laws that establish agriculture as the preferred use on land zoned Rural Density Transfer and as a permitted use in other agricultural zones, as defined in Section 59-C-9.1 of the County Code. The property subject to this contract is located in, adjoins, or confronts an area zoned agricultural. Residents and other occupants of property near land in agricultural zones should be prepared to accept effects of usual and customary agricultural operations, facilities, and practices, including noise, odors, dust, smoke, insects, operation of machinery, storage and disposal of manure, unusual hours of operation, and other agricultural activities. Under Maryland law, an agricultural operation is not a nuisance, and a lawsuit may not be successful alleging that an agricultural operation interferes with the use or enjoyment of other property, if

the agricultural operation: (1) has continued for at least 1 year; (2) complies with applicable health, environmental, zoning, and permit requirements; and (3) is not conducted negligently.

County law may provide additional protections for agricultural uses on agricultural-zoned land. For further information, contact the Montgomery County Department of Economic Development."

**Purchaser hereby acknowledges that (1) the seller has provided the information required by above; and (2) the Purchaser understands that (A) adjacent property may be the source of agricultural-related nuisances; and (B) the Purchaser may obtain more information about these nuisances from the County Department of Economic Development.**

**Purchaser's Signature** \_\_\_\_\_

**Purchaser's Signature** \_\_\_\_\_

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

IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.

**SAMPLE DO NOT SIGN**

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Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
RTP - MD: 2020-03

**Addenda #5**  
**FREDERICK COUNTY**

THIS FORM OF NOTICE IS REQUIRED BY LAW AFTER OCTOBER 1, 2013 **NOTICE OF SPECIAL ASSESSMENTS OR TAXES, FEES, OR CHARGES:** The Property (Seller initial) is \_\_\_\_\_/is not \_\_\_\_\_ subject to a tax or fee of a special taxing district as authorized in Article 23A, § 44A(b) of the Code or by a community development authority as authorized in § 2-7-125(b) of the Public Local Laws of Frederick County. **This sale is subject to a tax or fee of a (special taxing district or community development authority)** . **State law requires that the seller disclose to you at or before the time the contract is entered into, or within 20 calendar days after entering into the contract, certain information concerning the property you are purchasing. The content of the information to be disclosed is set forth in § 10-704 of the Real Property Article of the Maryland Annotated Code and includes the amount of the current annual tax or fee of the (special taxing district or community development authority) 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. The amount of the current annual tax or fee of the special taxing district or community development authority for the property is \$ \_\_\_\_\_ . The number of years remaining for the tax or fee of the special taxing district or community development authority on the property is \_\_\_\_\_. The tax or fee of the special taxing district or community development authority against the property (Seller initial) is \_\_\_\_\_/is not \_\_\_\_\_ delinquent.**

**RIGHT TO FARM NOTICE:** THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY LOCATED IN THE \_\_\_\_\_ COUNTY OF FREDERICK, STATE OF MARYLAND, DESCRIBED AS \_\_\_\_\_. THIS STATEMENT IS A DISCLOSURE OF THE EXISTENCE OF THE FREDERICK COUNTY RIGHT TO FARM ORDINANCE IN COMPLIANCE WITH FREDERICK COUNTY ORDINANCE NO. \_\_\_\_\_ (THE FREDERICK COUNTY RIGHT TO FARM ORDINANCE). **SELLER'S INFORMATION** THE FOLLOWING ARE REPRESENTATIONS MADE BY THE SELLER AND ARE NOT THE REPRESENTATIONS OF THE AGENT(S), IF ANY. THIS INFORMATION IS A DISCLOSURE AND IS NOT INTENDED TO BE PART OF ANY CONTRACT BETWEEN THE PURCHASER AND SELLER. FREDERICK COUNTY ALLOWS AGRICULTURAL OPERATIONS (as defined in the Frederick County Right to Farm Ordinance) WITHIN THE COUNTY. You may be subject to inconveniences or discomforts arising from such operations, including but not limited to noise, odors, fumes, dust, flies, the operation of machinery of any kind during any 24-hour period (including aircraft), vibration, the storage and disposal of manure, and the application by spraying or otherwise of chemical fertilizers, soil amendments, and pesticides. Frederick County has determined that inconveniences or discomforts associated with such agricultural operations shall not be considered to be an interference with reasonable use and enjoyment of land, if such operations are conducted in accordance with generally accepted agricultural management practices. Frederick County has established a reconciliation committee to assist in the resolution of disputes which might arise between persons in this County regarding whether agricultural operations conducted on agricultural lands are causing an interference with the reasonable use and enjoyment of land or personal well being and whether those operations are being conducted in accordance with generally accepted agricultural practices. If you have any question concerning this policy or the reconciliation committee, please contact the Frederick County Planning Department for additional information.

SELLER \_\_\_\_\_, a \_\_\_\_\_

WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS STATEMENT:

PURCHASER:

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Title: Authorized Agent

\_\_\_\_\_ Date: \_\_\_\_\_  
Print Name

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

\_\_\_\_\_ Date: \_\_\_\_\_  
Print Name

IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
RTP - MD: 2020-03

**Addenda #5**  
**CHARLES COUNTY**

**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 Purchaser has the right to ascertain all such information regarding the property being sold under this transaction.

This disclosure statement concerns the real property located in the County of Charles, State of Maryland, described as:

This statement is a 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 Purchaser 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.

SELLER:

\_\_\_\_\_, a \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: Authorized Agent \_\_\_\_\_

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

We acknowledge receipt of a copy of this statement:

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

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

IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_

RTP - MD: 2020-03

**Addenda #5**  
**CALVERT COUNTY**

THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY LOCATED IN THE COUNTY OF CALVERT, STATE OF MARYLAND, DESCRIBED AS

THIS STATEMENT IS A DISCLOSURE OF THE EXISTENCE OF THE CALVERT COUNTY RIGHT TO FARM ORDINANCE IN COMPLIANCE WITH CALVERT COUNTY ORDINANCE NO. \_\_\_\_\_ (The Calvert 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 PURCHASER AND SELLER.

CALVERT COUNTY ALLOWS AGRICULTURAL AND FORESTRY OPERATIONS (as defined in the Calvert County Right to Farm Ordinance) WITHIN THE COUNTY. You may be subject to inconveniences or discomforts arising from such operations, including but not limited to noise, odors, fumes, dust, flies, the operation of machinery of any kind during any twenty- four-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. Calvert 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. Calvert 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 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 Calvert County Planning Department for additional information.

SELLER:

\_\_\_\_\_, a \_\_\_\_\_

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: Authorized Agent

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

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

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

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

IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY

Purchase Right Holder Name: \_\_\_\_\_

Premises Address: \_\_\_\_\_  
RTP - MD: 2020-03

EXHIBIT C