

MONTGOMERY COUNTY, MARYLAND
Building Lot Termination Program
CONTRACT OF SALE

This Contract of Sale of a Building Lot Termination Easement (Purchase Contract) is by and between _____ (Sellers) and Montgomery County, Maryland, c/o Department of Economic Development, 101 Monroe Street, Rockville, Maryland 20850 (Purchaser).

In consideration of the Purchase Price to be paid by the Purchaser to the Seller (as identified in **Addendum No. 1** attached hereto and made a part hereof) and the mutual promises of the parties contained herein, the Purchaser agrees to purchase, and Sellers agree to sell, a Building Lot Termination Easement (**BLT Easement**) as provided by Chapter 2B of the Montgomery County Code 2004, as amended, over Seller's real property consisting of _____ acres more or less, as is more particularly described in **Exhibit A** attached hereto and made a part hereof (**Easement Parcel**), subject to the following terms and conditions:

1. The Purchaser, for a period of six (6) months from the Effective Date (as defined in Paragraph ____, below) of this Purchase Contract, and subject to available funds, shall have the exclusive right to purchase a BLT Easement from Sellers pursuant to the terms of this Purchase Contract. Simultaneous with the Sellers conveying the BLT Easement to the Purchaser, the Sellers must convey to the Purchaser _____ development rights. (As more particularly described in Exhibit A to this Purchase Contract, a total of development rights remain with the Easement Parcel. The Sellers will retain a total of ____ development rights: one development right for the single family dwelling currently located on the Easement Parcel [and ____ development right(s) for (a) future single family dwelling(s) on the Easement Parcel]. Additionally, the Sellers acknowledge and agree that by signing this Purchase Contract, the Sellers forgo the right to create and convey to any other party the _____ development right(s) retained with the Easement Parcel.
2. The Sellers acknowledge and agree that the BLT Easement will be recorded among the land records of Montgomery County, Maryland and will be in form substantially similar to **Exhibit B** attached hereto and made a part hereof.
3. The Sellers acknowledge and agree the BLT Easement must include the termination of the on-site waste disposal system identified in **Exhibit C** attached hereto and made a part hereof (**septic absorption area**) and that the septic absorption area identified in Exhibit C is separated from any other septic absorption area on the Easement Parcel by at least 50 feet.
4. Subject to the requirements of this Purchase Contract, including the availability of funds, the Purchase Price for the BLT Easement shall be (\$____.00) _____ in cash, payable on the date of settlement of this Purchase Contract.

5. There shall be no real estate transfer tax levied against the sale of the BLT Easement. All taxes and other assessments against the Easement Parcel are the Sellers' responsibility.
6. Except as provided in Paragraph 5, all expenses for the examination of title and for conveying the BLT Easement from the Sellers to the Purchaser will be paid by the Purchaser.
7. Title to the BLT Easement must be delivered in a form acceptable to the Purchaser and must be free of all liens and encumbrances that could, in the Purchaser's sole and unfettered discretion, render the covenants in the BLT Easement unenforceable. The expense of an initial title examination will be paid by the Purchaser. The expense of curing any title defects must be paid by the Sellers. In the event the Sellers cannot deliver the BLT Easement free of all liens and encumbrances at the time of settlement, they shall, at the Purchaser's election, have thirty (30) days in which to cure any defect and deliver title satisfactory to the Purchaser. If the Sellers' cost to cure title defects exceeds 5% of the Purchase Price, the Sellers may elect to have that cost paid out of settlement proceeds. If the Sellers fail to cure all defects in title, the Purchaser may cancel this Purchase Contract with no further obligations to the Sellers.
8. If the Purchaser determines that a survey is necessary to verify the acreage and/or boundaries of the Easement Parcel, the Sellers must pay the cost of the survey. If the survey reveals that the acreage of the proposed Easement Parcel is substantially different in size from the acreage identified in this Purchase Contract, the Purchase Price must be adjusted accordingly.
9. Settlement shall occur as soon as possible, but not later than six (6) months from the Effective Date of this Purchase Contract, unless a defect in title is discovered prior to such date. In that event, the last date for settlement shall be extended by the number of days it takes Sellers to cure all defects in title. If the time it takes for the Sellers to cure all title defects exceeds four (4) months, the Purchasers, in its sole discretion, may elect to cancel this Purchase Contract without any further obligation to the Sellers.
10. The parties agree that this Purchase Contract shall be binding upon the parties hereto and their respective heirs, representatives, successors and assigns, except that this Purchase Contract must not be assigned by any party without the written consent of all of the parties.
11. The Effective Date of this Purchase Contract is the date on which it is signed by Montgomery County, Maryland's Assistant Chief Administrative Officer.
12. Notice is hereby given that Chapters 11B and 19A of the Montgomery County Code, 2004, as amended, Chapters 11B and 19A, provide:
 - a. Chapter 11B:
 1. GIFTS. A bidder, offeror, or contractor must not make or offer to make a gift to a public employee which the public employee is prohibited from accepting under Chapter 19A. (Section 11B-51(a)).

2. KICKBACKS. It is unlawful to any person to provide, attempt to provide or offer to provide a kickback or to solicit, accept, or attempt to accept a kickback, as provided in Section 11B-51(b).
3. COVENANT AGAINST CONTINGENT FEES. A person must not retain another to secure a contract from the County under an agreement that in exchange for the contract, the person will pay another a commission, percentage of the contract or a contingent fee as provided in Section 11B-53(b).

b. Chapter 19A:

1. CONFLICTS OF INTEREST. Except as otherwise provided in Section 19A-11, a public employee must not participate in:

- (a) any matter that affects, in a manner distinct from its effect on the public generally, any: property or business in which the public employee or relative of a public employee holds an economic interest;
- (b) any matter if the public employee knows or reasonably should know that any party to the matter is: any business in which the public employee, or a public employee's relative, has an economic interest or is an officer, director, trustee, partner, or employee; or, any business with which the public employee, or a public employee's relative, is negotiating or arranging prospective employment;
- (c) any business or individual that is a party to an existing contract with the public employee or relative, if the contract could reasonably result in a conflict between the private interests and official duties;

2. RESTRICTIONS ON EMPLOYMENT. A public employee must not engage in any other employment unless the employment is approved by the Ethics Commission in accordance with Section 19A-12.

(Signature Page Follows)

IN WITNESS WHEREOF, the parties have caused this Purchase Contract to be duly executed and delivered by their duly authorized representatives.

WITNESS

SELLERS

PURCHASER

MONTGOMERY COUNTY, MARYLAND

Steven A. Silverman, Director DATE
Department of Economic Development

Diane R. Schwartz Jones DATE
Assistant Chief Administrative Officer

Approved as to form and legality this _____, day of _____, 20_____.

Vickie L. Gaul
Associate County Attorney

Exhibit A
Description of Property

Subject to Building Lot Termination Easement
to be conveyed by

_____ (Sellers)
to Montgomery County, Maryland (Purchaser)

All that certain tract or parcel of land situate, lying and being in Election District _____, Montgomery County, Maryland, hereto containing _____ acres, more or less, and a total of _____ development rights.

Property Tax Account Nos. _____

The Easement Parcel is comprised of _____ acres with a total of _____ development rights. _____ of the possible _____ development rights were serialized as Transferable Development Rights (TDRs) and recorded among the land records of Montgomery County, Maryland:

_____ TDRs, Serial Numbers (00-000001 – 00-00003) created by TDR Easement recorded in Liber _____ at folio _____

Remaining development rights after the TDR Transactions = _____

Number of development rights to be conveyed to Montgomery County (Purchaser) _____

Number of development rights to be retained by landowner (Sellers) _____*

Total development rights :

Exhibit C
Septic System Site Plan Approved by
The Department of Permitting Services (DPS)

Exhibit B

Form of Deed of Building Lot Termination Easement

ADDENDUM NO. 1

The purchase price for said Building Lot Termination Easement on the Easement Parcel containing _____ acres shall be _____. **One (1)** acre is deducted from the total Easement Price calculation for the existing dwelling on the property. The Easement Price per acre shall be allocated as \$_____ per BLT TDR towards the Easement Value. The terms of payment are as follows:

1. Payment or Distribution to Landowner _____

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Total Purchase Price _____

*The Dollar amounts above are assumed to be correct; however, if further negotiation between the Landowners/Sellers and Mortgage/Lien Holders result in changes to these figures, this contract will still be considered legally effective.