FIRST-TIME MARYLAND HOMEBUYER
TRANSFER AND RECORDATION TAX ADDENDUM

ADDENDUM # _____dated _____ to Contract of Sale dated _____ ,

between Buyer _____

and Seller _____

for Property known as _____.

FOR USE ONLY WHEN AN INDIVIDUAL HAS NEVER OWNED RESIDENTIAL REAL PROPERTY IN THE STATE OF MARYLAND AND THE PARTIES INTEND TO PROVIDE FOR AN EXPRESS AGREEMENT ON TERMS DIFFERENT FROM THOSE CONTAINED IN PARAGRAPH 24 OF THE CONTRACT OF SALE.
TO QUALIFY AS A FIRST-TIME MARYLAND HOMEBUYER, EACH BUYER MUST SIGN A STATEMENT UNDER OATH STATING THAT:

(A.) THE BUYER HAS NEVER OWNED RESIDENTIAL REAL PROPERTY IN MARYLAND THAT HAS BEEN THE INDIVIDUAL'S PRINCIPAL RESIDENCE; AND
(B.) THE RESIDENCE WILL BE OCCUPIED AS A PRINCIPAL RESIDENCE; OR
(C.) THE BUYER 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.

BUYER IS A FIRST-TIME MARYLAND HOMEBUYER WHO WILL OCCUPY THE IMPROVED, RESIDENTIAL REAL PROPERTY AS A PRINCIPAL RESIDENCE.

1. STATE TRANSFER TAX

(A) SECTION 13-203(B) OF THE TAX-PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND PROVIDES THAT THE RATE OF THE STATE TRANSFER TAX IS REDUCED FROM 0.50% TO 0.25% OF THE CONSIDERATION PAYABLE FOR THE INSTRUMENT IN WRITING AND SHALL BE PAID ENTIRELY BY THE SELLER.
(B) SECTION 14-104(C)(2) OF THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND PROVIDES THAT THE ENTIRE AMOUNT OF STATE TRANSFER TAX SHALL BE PAID BY THE SELLER.

2. RECORDATION TAX AND LOCAL TRANSFER TAX

SECTION 14-104(C)(1) OF THE REAL PROPERTY ARTICLE OF THE ANNOTATED CODE OF MARYLAND PROVIDES THAT THE ENTIRE AMOUNT OF RECORDATION TAX AND LOCAL TRANSFER TAX SHALL BE PAID BY THE SELLER UNLESS THERE IS AN EXPRESS AGREEMENT BETWEEN THE PARTIES THAT THE RECORDATION TAX AND LOCAL TRANSFER TAX WILL NOT BE PAID ENTIRELY BY THE SELLER.

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BUYER AND SELLER EXPRESSLY AGREE THAT THE COST OF RECORDATION TAX AND LOCAL TRANSFER TAX SHALL BE PAID AS FOLLOWS: (***BUYER AND SELLER TO INITIAL ONE***)

_____/_____ _____/_____ SELLER TO PAY
_____/_____ _____/_____ BUYER TO PAY
_____/_____ _____/_____ OTHER AS FOLLOWS: _____

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

Buyer Signature	**Date**	**Seller Signature**	**Date**
Buyer Signature	**Date**	**Seller Signature**	**Date**

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