



U.S. Department
of Transportation
**Federal Aviation
Administration**

800 Independence Ave., S.W.
Washington, D.C. 20591

August 6, 2015

Exemption No. 12365
Regulatory Docket No. FAA-2015-0212

Mr. Robert B. McArtor
RE/MAX Components
1301 Marquis Court
Fallston, MD 21047

Dear Mr. McArtor:

This letter is to inform you that we have granted your request for exemption. It transmits our decision, explains its basis, and gives you the conditions and limitations of the exemption, including the date it ends.

By letter posted to the public docket on January 29, 2015, and additional information dated May 17, 2015, you petitioned the Federal Aviation Administration (FAA) on behalf of RE/MAX Components (hereinafter petitioner or operator) for an exemption. The petitioner requested to operate an unmanned aircraft system (UAS) to conduct aerial videography and cinematography.

See Appendix A for the petition submitted to the FAA describing the proposed operations and the regulations that the petitioner seeks an exemption.

The FAA has determined that good cause exists for not publishing a summary of the petition in the Federal Register because the requested exemption would not set a precedent, and any delay in acting on this petition would be detrimental to the petitioner.

Airworthiness Certification

The UAS proposed by the petitioner is a Blade 350QX.

The petitioner requested relief from 14 CFR part 21, *Certification procedures for products and parts, Subpart H—Airworthiness Certificates*. In accordance with the statutory criteria provided in Section 333 of Public Law 112-95 in reference to 49 U.S.C. § 44704, and in

consideration of the size, weight, speed, and limited operating area associated with the aircraft and its operation, the Secretary of Transportation has determined that this aircraft meets the conditions of Section 333. Therefore, the FAA finds that the requested relief from 14 CFR part 21, *Certification procedures for products and parts, Subpart H—Airworthiness Certificates*, and any associated noise certification and testing requirements of part 36, is not necessary.

The Basis for Our Decision

You have requested to use a UAS for aerial data collection¹. The FAA has issued grants of exemption in circumstances similar in all material respects to those presented in your petition. In Grants of Exemption Nos. 11062 to Astraesus Aerial (*see* Docket No. FAA–2014–0352), 11109 to Clayco, Inc. (*see* Docket No. FAA–2014–0507), 11112 to VDOS Global, LLC (*see* Docket No. FAA–2014–0382), and 11213 to Aeryon Labs, Inc. (*see* Docket No. FAA–2014–0642), the FAA found that the enhanced safety achieved using an unmanned aircraft (UA) with the specifications described by the petitioner and carrying no passengers or crew, rather than a manned aircraft of significantly greater proportions, carrying crew in addition to flammable fuel, gives the FAA good cause to find that the UAS operation enabled by this exemption is in the public interest.

Having reviewed your reasons for requesting an exemption, I find that—

- They are similar in all material respects to relief previously requested in Grant of Exemption Nos. 11062, 11109, 11112, and 11213;
- The reasons stated by the FAA for granting Exemption Nos. 11062, 11109, 11112, and 11213 also apply to the situation you present; and
- A grant of exemption is in the public interest.

Our Decision

In consideration of the foregoing, I find that a grant of exemption is in the public interest. Therefore, pursuant to the authority contained in 49 U.S.C. 106(f), 40113, and 44701, delegated to me by the Administrator, RE/MAX Components is granted an exemption from 14 CFR §§ 61.23(a) and (c), 61.101(e)(4) and (5), 61.113(a), 61.315(a), 91.7(a), 91.119(c), 91.121, 91.151(a)(1), 91.405(a), 91.407(a)(1), 91.409(a)(1) and (2), and 91.417(a) and (b), to the extent necessary to allow the petitioner to operate a UAS to perform aerial data collection. This exemption is subject to the conditions and limitations listed below.

¹ Aerial data collection includes any remote sensing and measuring by an instrument(s) aboard the UA. Examples include imagery (photography, video, infrared, etc.), electronic measurement (precision surveying, RF analysis, etc.), chemical measurement (particulate measurement, etc.), or any other gathering of data by instruments aboard the UA.

Conditions and Limitations

In this grant of exemption, RE/MAX Components is hereafter referred to as the operator.

Failure to comply with any of the conditions and limitations of this grant of exemption will be grounds for the immediate suspension or rescission of this exemption.

1. Operations authorized by this grant of exemption are limited to the Blade 350QX when weighing less than 55 pounds including payload. Proposed operations of any other aircraft will require a new petition or a petition to amend this exemption.
2. Operations for the purpose of closed-set motion picture and television filming are not permitted.
3. The UA may not be operated at a speed exceeding 87 knots (100 miles per hour). The exemption holder may use either groundspeed or calibrated airspeed to determine compliance with the 87 knot speed restriction. In no case will the UA be operated at airspeeds greater than the maximum UA operating airspeed recommended by the aircraft manufacturer.
4. The UA must be operated at an altitude of no more than 400 feet above ground level (AGL). Altitude must be reported in feet AGL.
5. The UA must be operated within visual line of sight (VLOS) of the PIC at all times. This requires the PIC to be able to use human vision unaided by any device other than corrective lenses, as specified on the PIC's FAA-issued airman medical certificate or U.S. driver's license.
6. All operations must utilize a visual observer (VO). The UA must be operated within the visual line of sight (VLOS) of the PIC and VO at all times. The VO may be used to satisfy the VLOS requirement as long as the PIC always maintains VLOS capability. The VO and PIC must be able to communicate verbally at all times; electronic messaging or texting is not permitted during flight operations. The PIC must be designated before the flight and cannot transfer his or her designation for the duration of the flight. The PIC must ensure that the VO can perform the duties required of the VO.
7. This exemption and all documents needed to operate the UAS and conduct its operations in accordance with the conditions and limitations stated in this grant of exemption, are hereinafter referred to as the operating documents. The operating documents must be accessible during UAS operations and made available to the Administrator upon request. If a discrepancy exists between the conditions and limitations in this exemption and the procedures outlined in the operating documents, the conditions and limitations herein take precedence and must be followed.

Otherwise, the operator must follow the procedures as outlined in its operating documents. The operator may update or revise its operating documents. It is the operator's responsibility to track such revisions and present updated and revised documents to the Administrator or any law enforcement official upon request. The operator must also present updated and revised documents if it petitions for extension or amendment to this grant of exemption. If the operator determines that any update or revision would affect the basis upon which the FAA granted this exemption, then the operator must petition for an amendment to its grant of exemption. The FAA's UAS Integration Office (AFS-80) may be contacted if questions arise regarding updates or revisions to the operating documents.

8. Any UAS that has undergone maintenance or alterations that affect the UAS operation or flight characteristics, e.g., replacement of a flight critical component, must undergo a functional test flight prior to conducting further operations under this exemption. Functional test flights may only be conducted by a PIC with a VO and must remain at least 500 feet from other people. The functional test flight must be conducted in such a manner so as to not pose an undue hazard to persons and property.
9. The operator is responsible for maintaining and inspecting the UAS to ensure that it is in a condition for safe operation.
10. Prior to each flight, the PIC must conduct a pre-flight inspection and determine the UAS is in a condition for safe flight. The pre-flight inspection must account for all potential discrepancies, e.g., inoperable components, items, or equipment. If the inspection reveals a condition that affects the safe operation of the UAS, the aircraft is prohibited from operating until the necessary maintenance has been performed and the UAS is found to be in a condition for safe flight.
11. The operator must follow the UAS manufacturer's maintenance, overhaul, replacement, inspection, and life limit requirements for the aircraft and aircraft components.
12. Each UAS operated under this exemption must comply with all manufacturer safety bulletins.
13. Under this grant of exemption, a PIC must hold either an airline transport, commercial, private, recreational, or sport pilot certificate. The PIC must also hold a current FAA airman medical certificate or a valid U.S. driver's license issued by a state, the District of Columbia, Puerto Rico, a territory, a possession, or the Federal government. The PIC must also meet the flight review requirements specified in 14 CFR § 61.56 in an aircraft in which the PIC is rated on his or her pilot certificate.
14. The operator may not permit any PIC to operate unless the PIC demonstrates the ability to safely operate the UAS in a manner consistent with how the UAS will be

operated under this exemption, including evasive and emergency maneuvers and maintaining appropriate distances from persons, vessels, vehicles and structures. PIC qualification flight hours and currency must be logged in a manner consistent with 14 CFR § 61.51(b). Flights for the purposes of training the operator's PICs and VOs (training, proficiency, and experience-building) and determining the PIC's ability to safely operate the UAS in a manner consistent with how the UAS will be operated under this exemption are permitted under the terms of this exemption. However, training operations may only be conducted during dedicated training sessions. During training, proficiency, and experience-building flights, all persons not essential for flight operations are considered nonparticipants, and the PIC must operate the UA with appropriate distance from nonparticipants in accordance with 14 CFR § 91.119.

15. UAS operations may not be conducted during night, as defined in 14 CFR § 1.1. All operations must be conducted under visual meteorological conditions (VMC). Flights under special visual flight rules (SVFR) are not authorized.
16. The UA may not operate within 5 nautical miles of an airport reference point (ARP) as denoted in the current FAA Airport/Facility Directory (AFD) or for airports not denoted with an ARP, the center of the airport symbol as denoted on the current FAA-published aeronautical chart, unless a letter of agreement with that airport's management is obtained or otherwise permitted by a COA issued to the exemption holder. The letter of agreement with the airport management must be made available to the Administrator or any law enforcement official upon request.
17. The UA may not be operated less than 500 feet below or less than 2,000 feet horizontally from a cloud or when visibility is less than 3 statute miles from the PIC.
18. If the UAS loses communications or loses its GPS signal, the UA must return to a pre-determined location within the private or controlled-access property.
19. The PIC must abort the flight in the event of unpredicted obstacles or emergencies.
20. The PIC is prohibited from beginning a flight unless (considering wind and forecast weather conditions) there is enough available power for the UA to conduct the intended operation and to operate after that for at least five minutes or with the reserve power recommended by the manufacturer if greater.
21. Air Traffic Organization (ATO) Certificate of Waiver or Authorization (COA). All operations shall be conducted in accordance with an ATO-issued COA. The exemption holder may apply for a new or amended COA if it intends to conduct operations that cannot be conducted under the terms of the attached COA.
22. All aircraft operated in accordance with this exemption must be identified by serial number, registered in accordance with 14 CFR part 47, and have identification

(N-Number) markings in accordance with 14 CFR part 45, Subpart C. Markings must be as large as practicable.

23. Documents used by the operator to ensure the safe operation and flight of the UAS and any documents required under 14 CFR §§ 91.9 and 91.203 must be available to the PIC at the Ground Control Station of the UAS any time the aircraft is operating. These documents must be made available to the Administrator or any law enforcement official upon request.
24. The UA must remain clear and give way to all manned aviation operations and activities at all times.
25. The UAS may not be operated by the PIC from any moving device or vehicle.
26. All Flight operations must be conducted at least 500 feet from all nonparticipating persons, vessels, vehicles, and structures unless:
 - a. Barriers or structures are present that sufficiently protect nonparticipating persons from the UA and/or debris in the event of an accident. The operator must ensure that nonparticipating persons remain under such protection. If a situation arises where nonparticipating persons leave such protection and are within 500 feet of the UA, flight operations must cease immediately in a manner ensuring the safety of nonparticipating persons; and
 - b. The owner/controller of any vessels, vehicles or structures has granted permission for operating closer to those objects and the PIC has made a safety assessment of the risk of operating closer to those objects and determined that it does not present an undue hazard.

The PIC, VO, operator trainees or essential persons are not considered nonparticipating persons under this exemption.

27. All operations shall be conducted over private or controlled-access property with permission from the property owner/controller or authorized representative. Permission from property owner/controller or authorized representative will be obtained for each flight to be conducted.
28. Any incident, accident, or flight operation that transgresses the lateral or vertical boundaries of the operational area as defined by the applicable COA must be reported to the FAA's UAS Integration Office (AFS-80) within 24 hours. Accidents must be reported to the National Transportation Safety Board (NTSB) per instructions contained on the NTSB Web site: www.nts.gov.

If this exemption permits operations for the purpose of closed-set motion picture and television filming and production, the following additional conditions and limitations apply.

29. The operator must have a motion picture and television operations manual (MPTOM) as documented in this grant of exemption.
30. At least 3 days before aerial filming, the operator of the UAS affected by this exemption must submit a written Plan of Activities to the local Flight Standards District Office (FSDO) with jurisdiction over the area of proposed filming. The 3-day notification may be waived with the concurrence of the FSDO. The plan of activities must include at least the following:
 - a. Dates and times for all flights;
 - b. Name and phone number of the operator for the UAS aerial filming conducted under this grant of exemption;
 - c. Name and phone number of the person responsible for the on-scene operation of the UAS;
 - d. Make, model, and serial or N-Number of UAS to be used;
 - e. Name and certificate number of UAS PICs involved in the aerial filming;
 - f. A statement that the operator has obtained permission from property owners and/or local officials to conduct the filming production event; the list of those who gave permission must be made available to the inspector upon request;
 - g. Signature of exemption holder or representative; and
 - h. A description of the flight activity, including maps or diagrams of any area, city, town, county, and/or state over which filming will be conducted and the altitudes essential to accomplish the operation.
31. Flight operations may be conducted closer than 500 feet from participating persons consenting to be involved and necessary for the filming production, as specified in the exemption holder's MPTOM.

Unless otherwise specified in this grant of exemption, the UAS, the UAS PIC, and the UAS operations must comply with all applicable parts of 14 CFR including, but not limited to, parts 45, 47, 61, and 91.

This exemption terminates on August 31, 2017, unless sooner superseded or rescinded.

Sincerely,

/s/

John S. Duncan

Director, Flight Standards Service

Enclosures

Federal Aviation Administration Exemption

Petition for Exemption under Section 333
FAA Modernization and Reform Act of 2012
Public 112-95 Feb. 14, 2012, Section 333

Submitted by: Robert B. McArtor, RE/MAX Components

1301 Marquis Court, Fallston, Maryland 21047

Contact Information

Exemption Applicant

Robert B. McArtor

Address – 1301 Marquis Court, Fallston, MD. 21047

Email Address – robertmcartor@gmail.com

Home Phone – 410-879-0622

Direct Line – 443-392-4833

Website Address – www.MarylandHOMESTeam.com

RE/MAX Components Office Address – 2103 Belair Rd. Fallston, MD.
21047

Broker – Robert Brendel

Broker – Christy Kopp

Mission Statement

“To serve our clients and the community by operating a UAS in a safe and professional manner to record video and take photographs of real estate for the purpose of selling properties, enhancing advertising campaigns, and producing marketing materials.”

Intended UAS Use

To record video and capture pictures of clients homes and land for the use in real estate marketing materials.

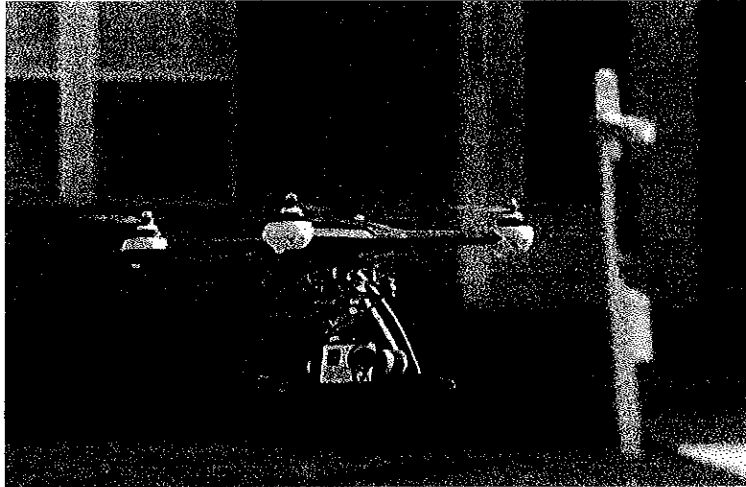
Specific Section of 14 CFR

Seeking specific exemption from:

- FAA Modernization and Reform Act of 2012, Public Law 112-95.
Feb. 14, 2012, Section 333

Intended Equipment for Exemption

Aircraft: Blade 350QX



Radio Frequency: 2.4GHz ISM

Radio Sensitivity: -97dBm

Manufactures Website: <http://www.bladehelis.com/350qx/>

Camera: GoPro Black Hero3, Hero3+

GoPro Website: www.GoPro.com

Aircraft Performance

Operator has thorough knowledge of aircraft performance as outlined in the manual provided in the package when purchased as well as online.

http://www.bladehelis.com/ProdInfo/Files/BLH8000-Manual_EN.pdf

Aircraft Maintenance

To ensure safe operational control. A maintenance schedule will be followed, personal tailored maintenance manual has been created, and quality replacement parts will be used.

- Inspection: Before and after every flight, the quadcopter's operational condition will be inspected for damage and deterioration.
- Replacement Parts will be purchased from Blade Manufactures.
- Repairs will be performed by a professional authorized retailer of the Blade products where purchased from.

Safety Concerns

Spotter for Hazards: To ensure safety, either the co-listing agent, seller, or another party, will be on site to review hazards before and during the flight.

Population of intended Areas: To ensure safety, all non-essential personnel will be removed from the area. There will be no flight over heavily populated areas like stadiums, schools, malls, airports, casinos, and freeways.

Airports: To ensure pilot(s) safety, there will be no flight in or around airports unless explicit written permission is granted.

Heavy Air Space Traffic: To ensure pilot safety, there will be minimal flight in heavy flight traffic areas or in known flight patterns.

Weather: To ensure safety of spotter, co-listing agents, property owners, and pet and wildlife flights will be conducted in optimal weather conditions.

Return-to-Home Features: In the event the Blade 350QX loses signal or runs critically low on battery the UAS has a GPS controlled return to home feature. The "Home" is set upon flight startup.

Flying in Confined Areas: There is a high probability of flying in confined spaces, around residential properties.

Potential Hazards

The following are potential hazards that may or may not be present during flight operations.

- Jets, Airplanes, Gliders and other UASs.
- Houses, Commercial Buildings, Shops, and Out Buildings.
- Power Lines, Low Voltage Lines, High Voltage Lines, Cable Lines
- Trees, Shrubs, Hedges
- Automobiles and Rvs
- Wildlife, both land and air
- Rivers, Lakes, Ponds, Sounds, Straits, and Other Bodies of Water
- Unaccounted for People
- Unaccounted for Pets

Privacy Concerns

During flight operations, privacy concerns are of the highest priority.

With each commercial flight a signed Addendum from our Real Estate Team will be in place (See Exhibit A).

In addition, I will have a Seller/Property Owner signed letter authorizing the UAS's use for marketing purposes. (Exhibit B).

Neighboring parcels or properties: During each flight operation, the UAS pilot will be extremely mindful of neighboring parcels to not film, record, or take pictures of people and property without their written and signed consent.

Suburban Homes and Properties

Homes that are within residential neighborhoods, it is easy for the camera's field of view to record and take pictures of homes and properties that are not intended to be advertised for sale. As the UAS increases altitude, so does the risk of inadvertently filming a home or property that hasn't given written permission to do so.

However, in many home property listing pictures it happens that neighboring homes are in the advertising pictures due to the neighboring layout and neighboring properties.

It is the opinion of Robert McArtor that higher altitude video and pictures are not as effective when advertising a suburban home because:

1. Higher altitude video and pictures isn't that useful in showing the lot's layout.
2. It is easy to discern lot lines and property boundaries from ground level recorded plat maps.
3. Privacy is an instant concern.

Properties with Acreage

Homes and properties with acreage have a higher degree of uncertainty when trying to determine lot lines, boundaries, proximity to neighboring properties than a suburban home. Also, people looking to purchase a home with acreage, or a larger lot, have a higher degree of interest on knowing where the approximate lot lines are from an aerial perspective. That is why homes and property with acreage makes more sense to film with a UAS.

Homes with View & Waterfront

People looking to purchase and/or sell a home, or a property, with a view, or on waterfront, want to see the home or property from an aerial perspective and to be showcased in this format. This is part of property owner profile. In addition, even though neighboring parcels might be shown in the picture and video, the neighboring properties will only be included if it is necessary to the subject property's marketing materials.

Operational Conditions

To capture high resolution images and video operational conditions will be closely monitored because showcasing a home in the best light is the utmost client priority.

Day Time:

1. Sunny Weather is Highly Preferred
2. Little to No Cloud Cover
3. Zero to Low Wind Speeds
4. High Visibility Conditions

No Night-Time Operations are Scheduled

Pilot Qualifications

Training Session for Robert B. McArtor, RE/MAX Components

Current Pilot – Robert B. McArtor

Has been training with the current Blade 350QX Aircraft for 16 months.

Current member in good standing with the Unmanned Aircraft Professional Association – Website - <http://www.ua-pa.com/>

Watch Online Training Videos

Watch Online Training Videos for Specific Type of Filming Needs

New Pilots will Shadow and Act as Current Pilots Spotter for 3 Months Prior to First Flight Operations.

Attend Upcoming, and Local UAS Courses

Attend Local UAS Courses

Every Pilot Will Follow the Flight Plans and Schedules Set Forth in the Document.

To make sure pilot(s) stay current with rules, laws, safety techniques, filming practices, pilot(s) are required to take at least 1 continuing course offered through a 3rd. Party every year and provide Robert B. McArtor of RE/MAX Components with proof of course attended.

Pre-Flight Checklist

Prior to every flight, the pilot will go through a pre-flight checklist. The checklist will then be filed with every property's file in the event of an audit.

Active Flight Operations

Exercise continuous control of UAS, monitor potential hazards, be aware of changing environments that may present hazards.

Pre-Flight Checklist

Flight Operation Location: _____

Pilot: _____

Date: _____

- Conduct Walk Around of Flight Area.
- Identify Potential Hazards with Spotter.
- Locate Safe Launch & Landing Area.
- Set Spotter (Spotter May Change Location due to Filming Angle)
- Secure all Pets
- Request all Non-Essential Personnel to Remain Behind Pilot
- Unpack All Equipment from Transportation Case
- Power Up Remote – Check if fully charged.
- Power Up GoPro – Check if Fully Charged
- Initiate Video Recording
- Power up UAS
- Launch UAS
- Conduct Flight Operations
- Land UAS in Designated Landing Area
- Power Down UAS
- Turn Off Video Recording
- Power Down GoPro
- Power Down Remote
- Put All Equipment Back in Transportation Case
- Schedule Basic Visual Maintenance after Flight

Pilot Signature _____

Robert B. McArtor, RE/MAX Components
Flight Log

PILOT Robert B. McArtor

DATE	HOURS	LOCATION	REFERENCE
08/23/14	6	1814 Wagner Farm Rd. Bel Air, MD.	http://youtu.be/6uL_5ncZNqs
01/11/15	6	3435 Clairborne Way, MD.	http://youtu.be/s3ubmgEXpM8
11/12/14	6	2506 Rochelle Dr., Fallston, MD.	http://youtu.be/FntoBtZLV7E
08/30/14	15	Deep Creek Lake, Maryland	http://youtu.be/ScbgraICdmg
08/18/14	10	Daniel Crouse Mem. Park, MD.	http://youtu.be/oPSWv9dfi1M
08/17/14	10	Pack 801 Rocket Launch, MD.	http://youtu.be/X6d3G62nKIM
08/02/14	6	1304 Old Joppa Rd., MD.	http://youtu.be/cff7-PV1aHg
08/01/14	4	2014 Harford County Fair	http://youtu.be/8cL5FWw0k58
08/01/14	6	1300 Old Joppa Rd., MD.	http://youtu.be/ZUrWRO7d044
07/14/14	10	Oxford, MD. Vacation TEST	http://youtu.be/Im7fCrTxINs
06/30/14	6	Graduation Party, MD.	http://youtu.be/axWt3RjljR0
06/20/14	8	502 Brian's Garth, MD.	http://youtu.be/AX216Annv44
06/23/14	8	11 W. Riding, MD.	http://youtu.be/ZVeG93HXwt0
06/22/14	6	1617 Reid, MD.	http://youtu.be/_xbKchRSF0o
06/21/14	10	240 Codjus, Cecil County, MD.	http://youtu.be/XV7QWXNrso4
06/7/14	8	1309 Grandview, MD.	http://youtu.be/R7iDEBHn3X8
05/12/14	10	Flight Testing Reckord Rd. Field	
04/12/14	10	Flight Testing Reckord Rd. Field	

Robert B. McArtor, RE/MAX Components of Maryland Homes Team
with RE/MAX Components
2103 Belair Road
Fallston, Maryland 21047
Office – 410-893-1199
Direct – 443-392-4833

RE: Authorization to Record Video & Photograph Property

I, _____, legal seller and/or representative,
authorize and give permission to Robert B. McArtor to record video and photograph the property
commonly known as:

The recorded video and photography is to be used in a manner consistent with current real estate
marketing strategies and advertising techniques.

Sincerely,

Signature

Date

Signature

Date



EXCLUSIVE RIGHT TO SELL
RESIDENTIAL BROKERAGE AGREEMENT

DATE: _____

1. SELLER(S) (List all): _____

Mailing Address: _____

Office Telephones: _____ Office/Home Fax: _____

Home Telephones: _____ Cell Phones: _____ / _____

Email Addresses: _____ / _____

2. BROKER: _____

Office Address: _____

Office Telephone: _____ Office Fax: _____

Listing Agent: _____ Direct Line: _____

Home Phone: _____ Cell Phone: _____

Email Address: _____

3. **PROPERTY LISTING:** _____ ("Broker") is hereby authorized by the undersigned Seller(s) or by the authorized representative of Seller(s) ("Seller") to sell, as the exclusive real estate broker, the property known as: _____

_____ ("Property"). Seller acknowledges that the Property is being conveyed (initial one selection) _____ / _____ IN FEE SIMPLE, or _____ / _____ SUBJECT TO AN ANNUAL GROUND RENT, now existing, in the amount of \$ _____, payable semi-annually.

4. **LISTING TERM/RIGHTS OF PARTIES FOLLOWING EXPIRATION OR TERMINATION OF AGREEMENT:** This agreement shall be effective on _____ (m/d/y) and shall continue until midnight on _____ (m/d/y), (the "Listing Term") unless terminated in accordance with the provisions of this section.

As required under Section 17-534(b)(5) of the Maryland Real Estate Brokers Act, the parties agree to the following provision for the termination of this Agreement (**Broker to insert terms of termination**):

An expiration or termination of this Agreement by Seller or Broker shall be subject to the provisions of Paragraph 12 of this Agreement, and Paragraph 12 of this Agreement shall survive the expiration or termination of this Agreement. Notwithstanding the rights of the parties to terminate this Agreement as provided herein, Broker, in Broker's sole and absolute discretion, may terminate this Agreement at anytime and effective immediately in the event Seller provides any false information, misrepresents any fact to Broker or other third-party, or violates or indicates any intention to discriminate in violation of any applicable federal, state or local fair housing law(s). If a Contract of Sale is entered into by Seller during the Listing Term, which provides for settlement to occur after the expiration of the Listing Term, this Agreement shall be automatically extended until settlement has occurred or until the Contract of Sale is released in writing by the parties.

5. **LISTING PRICE:** The listing price of the Property is \$ _____ and shall be the price advertised by Broker. If Seller desires to change the listing price, Seller shall immediately inform Broker in writing of the changed listing price, and such changed listing price shall thereafter be the price advertised by Broker.

6. **SHOWING INSTRUCTIONS (for LOCK BOX see addendum):** _____



7. MARKETING/MLS/INTERNET ADVERTISEMENT:

(a) Broker is authorized to and shall market the Property including, but not limited to, entering the Property into the applicable multiple listing service(s) ("MLS"), installing a sign, photographing the Property and installing a lock box. Seller acknowledges that Broker is bound by the bylaws, policies and procedures, and rules and regulations governing the MLS and the lock box system owner. Broker is hereby granted the right to report to the MLS for dissemination, in accordance with the MLS rules and policies, any contract of sale and sales price (including the other terms upon which any sale of the Property is made). Except as otherwise provided in paragraphs (b) and (c) below and in accordance with the directions therein, Broker, upon election by Broker and in Broker's sole and absolute discretion, is hereby authorized by Seller to submit and market the Property (including street name and house number) by and through:

1. Broker's internet website;
2. The Internet websites of licensed real estate salespersons or associate real estate brokers affiliated with Broker;
3. Any other Internet website in accordance with applicable MLS rules and regulations;
4. Print media; and/or
5. Any available MLS Program(s) that enable participants to display aggregated MLS active listing information on participants' public websites. Seller further consents to and authorizes Broker, in accordance with the MLS rules and regulations, to allow other MLS participants and authorized users to market the Property by and through the internet website of other such MLS participants and authorized users.

If the Property is scheduled for an open house by Broker, Seller authorizes Broker to advertise the Property as an open house together with other properties listed with Broker and advertised as an open house in the same advertisement, whether by print media or by internet advertisement.

(b) Seller may elect not to have the Property listing displayed on the MLS at all. (Seller to initial if Seller does not authorize Broker to display Property listing on the MLS at all):

____ / ____ Broker may *not* submit and market the Property by and through display on the MLS.

Seller hereby acknowledges that, having selected not to display the Property listing on the MLS at all: (1) real estate licensees from other companies and their buyer clients who have access to the MLS may not be aware that Seller's Property is for sale and the terms and conditions under which Seller is marketing the Property; (2) Seller's Property will not be included in the MLS's download to various real estate internet sites that are used by the public to search for property listings; and (3) any reduction in the exposure of the Property may lower the number of offers made and negatively impact the sales price. (Seller to initial): ____ / ____

(c) Seller may elect not to have the Property listing or the Property address displayed on the internet. Seller hereby directs Broker that (Seller to initial all that apply):

____ / ____ Broker may *not* submit and market the Property by and through display on any internet website.

____ / ____ Broker may submit and market the Property by and through display on any internet website, but Seller elects *not* to permit display of the Property address on any internet website.

Seller hereby acknowledges that, having selected either or both of the above option(s) not to allow information on internet websites, a consumer who conducts searches for listings on the internet will not see the corresponding information about the Property in response to a search. (Seller to initial): ____ / ____

(d) Certain features may be displayed on the websites of MLS participants, including:

- (1) Unedited comments or reviews of the Property (or display a hyperlink to such comments or reviews); or
- (2) An automated estimate of the market value of the Property (or a hyperlink to such estimate). (Seller to initial):

Seller ____ / ____ authorizes or ____ / ____ does not authorize the display of unedited comments or reviews of the Property (or display a hyperlink to such comments or reviews) on MLS participants' websites.

Seller ____ / ____ authorizes or ____ / ____ does not authorize the display of an automated estimate of the market value of the Property (or a hyperlink to such estimate) on MLS participants' websites.

During the term of this agreement, Seller, by written request to Broker, may authorize Broker to enable or disable use of either feature as described in (1) or (2) above. Broker agrees to transmit promptly the request to the MLS.

Broker's responsibility to market the Property is suspended upon Seller's acceptance of a written offer to purchase the Property, unless otherwise agreed by Broker.

8. GRANT/RELEASE OF PROPERTY DATA TO BROKER: Seller grants to Broker the unlimited right to use, publish, disseminate, sell, and license to others all text, graphics, photos, virtual tours, documents, and any other types of data entered into the MLS, and Seller hereby releases to Broker all of the Seller's interests and all intellectual property rights therein. If Seller elects to allow dissemination of Property data on the internet, Seller understands and agrees that public websites determine their own content and use of data, and therefore Broker has no control over public websites and no obligation to remove any of the above content from public websites at any time.

9. FAIR HOUSING: With respect to race, color, religion, sex, national origin, handicap or familial status, the Property is offered in compliance with the Civil Rights Act of 1968, and the Fair Housing Amendments Act under Federal law. Additionally, the Property shall be offered in compliance with the anti-discrimination provisions of Maryland law and any local, county and municipal fair housing laws.

10. SELLER RESPONSIBILITY/INSURANCE: Broker shall not be responsible for the care, or physical condition of the Property. Seller shall remain solely responsible for the care and physical condition of the Property, including, but not limited to, cost of all utilities, maintenance, the physical security of the premises and all personal property and maintaining adequate property and personal injury insurance during the term of this Agreement; and, Broker shall have no liability for such matters.

11. REPAIRS: Seller is hereby notified that repairs of the Property may require that the individuals engaged to perform such repairs must be duly licensed.

12. BROKER'S COMPENSATION: The amount of Broker compensation is not prescribed by law or established by any membership organization with which the Broker is affiliated.

In the event of a sale, exchange, or transfer, the Compensation to be paid by Seller to Broker shall be _____

The Compensation shall be deemed to have been earned by Broker and shall be due and payable by Seller to Broker if:

A. During the term of this Agreement, or any extension thereof:

(i) Broker produces a ready, willing and able buyer to purchase the Property at the listing price and/or at such other price as shall be accepted by Seller or agreed upon in writing between Seller and Broker (the "Sale Price"); or

(ii) Seller shall enter into a written agreement to sell, lease, exchange, convey or transfer the Property to any person or entity whether such person or entity shall have been procured by Broker, by Seller or by any other person or entity, in which event Seller, within seventy-two (72) hours thereof, shall furnish Broker a copy of such written agreement; or

(iii) if during the period of _____ days following the expiration or termination of this Agreement, Seller shall enter into a written agreement to sell, lease, exchange, convey or transfer the Property to any person who or to any entity which, with knowledge of Seller or any agent of Seller, inspected or made inquiry about the Property or negotiated to purchase or exchange the Property during the term of this Agreement or any extension thereof, in which event Seller, within seventy-two (72) hours thereof, shall furnish Broker a copy of such written agreement;

B. Seller defaults or voluntarily agrees to terminate a sale; or

C. Seller breaches this Agreement.

The Compensation due Broker shall be a charge against the Property and shall be paid at settlement as a convenience to Seller. However, Seller acknowledges and agrees that settlement on the Property shall not be a condition precedent to Seller's obligation to Broker as herein provided.

If Broker prevails in any action brought to obtain payment of the Compensation, Broker shall also be entitled to recover in such action Broker's reasonable attorney's fees and court costs.

If a deposit made on any contract of sale or other transfer of the Property is forfeited to Seller, or if all or part of the deposit is received by Seller as a settlement made by and between Seller and buyer,

\$ _____ or _____ % of the amount forfeited or received as settlement shall be paid to Broker for Broker's services, but in no event shall the amount exceed an amount equal to the full Compensation specified herein.

Seller shall have no obligation to pay the Compensation to Broker if the Property is listed by any other licensed real estate broker following the expiration of this Agreement, or any extension thereof, or following the termination of this Agreement as herein provided, unless such termination by Seller is for the purpose of avoiding the obligation of Seller to pay the Compensation to Broker.

13. AUTHORITY TO COOPERATE WITH OTHER BROKERS: Broker shall be entitled to cooperate with other brokers as subagents of Broker ("Subagents") and/or brokers retained by prospective buyers to represent buyer's interests ("Buyer Agents"). Seller consents to Broker's cooperation and fee sharing with Subagents or Buyer Agents (collectively "Cooperating Brokers"). Broker shall pay to any Subagent, who has earned and is entitled to share in the Fee, \$ _____ or _____ % of the Sales Price, plus _____ (_____) month(s) ground rent, if any. Broker shall pay to any Buyer Agent who has earned and is entitled to share in the Fee \$ _____ or _____ % of the Sales Price, plus _____ (_____) month(s) ground rent, if any.

14. MINISTERIAL ACTS: Seller hereby consents to and authorizes Broker and Broker's agents, whether acting as subagents or Buyer's Agents, to provide ministerial acts as defined by law on behalf of Seller to third persons in connection with the sale of the Property.

15. LEAD-BASED PAINT:

A. LEAD-BASED PAINT HAZARD: Seller acknowledges that the Property, if constructed before 1978, is subject to Federal law (Title X) as to the presence of lead-based paint and/or lead-based paint hazards.

Seller represents and warrants to Broker, Broker's agents and cooperating brokers/agents, intending that they rely upon such warranty and representation, that the Property was constructed:

(Seller to initial one):

_____ / _____ prior to 1978;

OR _____ / _____ during or after 1978;

OR _____ / _____ Seller is uncertain as to the date of construction.

If Seller is uncertain as to the date the Property was constructed, Seller agrees that, for the purpose of the sale contemplated by this Agreement, the Property will be treated as though it had been constructed prior to 1978. If Title X applies to the Property, Seller agrees to comply fully with the requirements as set forth in the EPA and HUD Real Estate Notification and Disclosure Rule. Accordingly, if applicable, Seller is required to disclose to buyer, based upon Seller's actual knowledge, all known lead-based paint hazards in the Property and provide buyer with any available reports in Seller's possession relating to lead-based paint or lead-based paint hazards applicable to the Property. Additionally, the Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards shall be attached and made a part of the Contract of Sale. For detailed information regarding the EPA and HUD Real Estate Notification and Disclosure Rule, Seller should visit: <http://www.epa.gov/region1/enforcement/leadpaint/section1018.html>.

B. 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 an Seller who personally performs Covered Work on the Seller's principal residence. However, Seller has the ultimate responsibility for the safety of Seller's family or children while performing such Covered Work. For detailed information regarding the RRP, Seller should visit <http://www2.epa.gov/lead/renovation-repair-and-painting-program>.

Seller acknowledges that Seller has read and understands the provisions of Paragraph 15.B.

(Seller to initial): _____ / _____

16. AUTHORITY TO DISCLOSE EXISTING OFFERS: Seller is advised that prospective buyers or Brokers may inquire of Broker or Broker's Agents as to whether existing written offer(s) have been received for

the purchase of the Property. The disclosure of the existence of written offer(s) could be either beneficial or detrimental to Seller. On the one hand, such disclosure could result in the interested buyer making the highest and best offer as promptly as possible. On the other hand, such disclosure could result in the interested buyer electing not to make an offer.

Seller: *(Seller to initial one)*:

_____ / _____ Authorizes; **OR** _____ / _____ Does Not Authorize

Broker or Broker's agents to disclose the existence of other written offers on the Property in response to inquiries from buyers or cooperating brokers. If disclosure is authorized, Broker or Broker's agents shall also disclose, if asked, whether an offer was obtained by the listing agent, another agent in Broker's firm, or by a cooperating broker. Such authority does not include the disclosure of the terms and conditions of such offer(s).

17. HOME WARRANTY: Broker _____ does or _____ does not offer the opportunity for Seller to purchase a home warranty to be in force during the listing period and which will transfer to the buyer upon settlement. *(Seller to initial one)*:

_____ / _____ Warranty desired. For policy to be effective, Seller must complete the necessary paperwork.

_____ / _____ Warranty Declined

18. NOTICE OF PROPERTY CONDITION DISCLOSURE/DISCLAIMER: Seller is advised that under Maryland Law (Real Property Article 10-702), the buyer is entitled to receive the Maryland Residential Property Disclosure And Disclaimer Statement ("disclosure/disclaimer statement"), a form provided by the Maryland Real Estate Commission, from the Seller. Seller must deliver the completed disclosure/disclaimer statement to the buyer on or before the buyer's entering into a Contract of Sale (offer to purchase) (with the exception of a Land Installment Contract, an Option to Purchase Agreement and a Lease Agreement containing an Option to Purchase provision, in which case the disclosure/disclaimer statement must be delivered to the buyer before the execution of the Contract by the buyer). A buyer who does not receive the disclosure/disclaimer statement on or before the execution of the offer by the buyer has the unconditional right upon written notice to the Seller or Seller's agent, to rescind the Contract of Sale at any time before the receipt of the disclosure/disclaimer statement or within five (5) days following receipt of the disclosure/disclaimer statement and to the immediate return of any deposit. However a buyer's right to rescind the Contract terminates if not exercised (A) before making a written application to a lender for a loan, if the lender discloses in writing at or before the time application is made that the right to rescind terminates upon submission of the application, or (B) within five (5) days following receipt of a written disclosure from a lender who has received the buyer's application for a mortgage loan, if the lender's disclosure states that the buyer's right to rescind terminates at the end of that five (5) day period. Maryland Law (Real Property Article 10-702) exempts certain transfers or sales from its application: A) the initial sale of a new home: (1) that has never been occupied; or (2) for which a certificate of occupancy has been issued within one year before the buyer and Seller enter into a Contract of Sale; B) certain transfers that are exempt from the state transfer tax; C) a sale by a lender acquiring real property by a foreclosure or deed-in-lieu of foreclosure; D) a sheriff sale, tax sale or sale by foreclosure, partition or by court-appointed trustee; E) a transfer by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship or trust; F) a transfer of single family residential real estate to be converted by the buyer into a use other than residential use or to be demolished; or G) a sale of unimproved property. Seller: *(Seller to initial one)*:

_____ / _____ is **OR** _____ / _____ is not exempt

19. VIOLATION NOTICES: Seller is advised that the Contract of Sale may require that Seller convey the Property free and clear of all violation notices, requirements noted or issued by any governmental authority (including without limitation, any permit violation notices), and actions in any court, against or affecting the Property.

20. CONSERVATION EASEMENTS:

A. Seller is advised and acknowledges that if the Property is encumbered by one or more Conservation Easements or other restrictions limiting or affecting uses of the Property, Maryland law requires that Seller deliver to the Buyer the required notice and copies of the easement(s). A buyer who does not receive the notice and copies of the easement(s) on or before entering into the contract for sale has the unconditional right upon written notice to the Seller or Seller's agent, to rescind the Contract of Sale at any time before the receipt of the notice and copies of the easement(s) or within five (5) days following receipt of the notice and copies of the easement(s) and to the immediate return of any deposit.

B. Seller hereby represents to Broker, and upon which representation Broker is entitled to rely; that:
(Seller to initial one):

- _____ 1. The Property **IS NOT** subject to one or more Conservation Easement(s) or other restrictions limiting or affecting uses of the Property; **OR**
- _____ 2. The Property **IS** subject to one or more Conservation Easement(s) or other restrictions limiting or affecting uses of the Property, as follows: (Seller to check applicable Conservation Easement(s))
- _____ Maryland Environmental Trust
 - _____ Maryland Historical Trust
 - _____ Maryland Agricultural Land Preservation Trust
 - _____ Maryland Department of Natural Resources
 - _____ A County or Municipal Corporation, funded by the Maryland Department of Natural Resources, the Rural Legacy Program, or a local Agricultural Preservation Program
 - _____ Land Trust
 - _____ Required by a permit issued by the Department of the Environment

If paragraph B.2. is initialed by Seller, Seller _____ has **OR** _____ has not (check one) provided a copy of the Conservation Easement(s) to Broker, and Seller acknowledges that it is Seller's sole obligation to obtain and deliver copies of the Conservation Easement(s) to buyer.

21. AGENCY DISCLOSURE: Seller acknowledges receipt of "Understanding Whom Real Estate Agents Represent" disclosure form as required by Maryland Law.

22. INSURABILITY: An informational brochure published by the Maryland Association of REALTORS®, Inc. titled "The New Reality of Property Insurance - What You Should Know" is available to explain current issues relative to obtaining insurance coverage for the Property.

23. FLOOD DISCLOSURE NOTICE: Seller is advised that the Property or part of the Property may be located in an area established by the government as a "flood plain" or otherwise in an area where flood insurance could be required. The National Flood Insurance Program ("NFIP") establishes flood insurance policy premiums based on the risk of flooding in the area where properties are located. Due to amendments to federal law governing the NFIP, those premiums are increasing, and in some cases will rise by a substantial amount over the premiums previously charged for flood insurance. As a result, premiums paid for flood insurance on the Property may not be indicative of premiums that will apply after the Property is purchased. Also, the State of Maryland in conjunction with the Federal Emergency Management Agency has been systematically updating flood insurance rate maps. The Property may be affected.

24. MARYLAND NON-RESIDENT SELLER: Seller acknowledges, pursuant to Section 10-912 of the Tax-General Article, Annotated Code of Maryland, that if Seller is: 1) a non-resident individual of the State of Maryland or is 2) a non-resident entity which is not formed under the laws of the State of Maryland and is not qualified by or registered with the Maryland State Department of Assessments and Taxation to do business in the State of Maryland, the deed or other instrument of writing that effects a change of ownership to the Property may not be recorded with the clerk of the court for a county or filed with the Maryland State Department of Assessments and Taxation unless payment is first made by the Seller in an amount equal to

- a) 7% of the total payment to a non-resident Seller; **OR**
- b) 8.25% of the total payment to a non-resident entity;

(NOTE: The amount of the payment for a non-resident individual is subject to adjustment on a recurring basis by the Comptroller of Maryland. The amount of the payment for a non-resident entity is subject, from time to time, to change by an Act of the Maryland General Assembly. Seller acknowledges that the amount(s) as set forth in a) and b) above may be greater or lesser than the actual amount(s) due by Seller at time of settlement.)

UNLESS each Seller:

- 1. Certifies, in writing, under the penalties of perjury, that the Seller is a resident of the State of Maryland or is a resident entity of the State of Maryland; **OR**
- 2. Presents to the clerk of the circuit court for a county or the Maryland State Department of Assessments and Taxation a certificate issued by the Comptroller of the State of Maryland stating that: i) there is no tax due in connection with the sale or exchange of the Property; or ii) a reduced amount of tax is due from the Seller and the reduced amount is collected by the clerk of the circuit court for a county or the Maryland

Department of Assessments and Taxation before recording or filing; (**NOTE:** If Seller intends to obtain a certificate from the Comptroller's office, Seller should immediately contact the Comptroller at 1-800-MDTAXES. Obtaining the certificate requires a MINIMUM of three (3) weeks); **OR**

3. Has satisfied the tax liability or has provided adequate security to cover such liability; **OR**

4. Certifies, in writing, under the penalties of perjury, that the Property being transferred is the Seller's principal residence.

As defined under Maryland law and as used in a) and b) above, the term "total payment" means the net proceeds paid to the Seller for the Property and associated tangible personal property, less: 1) debts owed by the Seller and secured by a mortgage or other lien against the Property being paid upon the sale or exchange of the Property and 2) other expenses of the Seller arising out of the sale or exchange of the Property and disclosed on a settlement statement prepared in connection with the sale or exchange of the Property. "Total payment" includes the fair market value of any property transferred to the Seller.

25. FOREIGN INVESTMENT TAXES - FIRPTA (Foreign Investment in Real Property Tax Act): Section 1445 of the United States Internal Revenue Code of 1986 and applicable Treasury Department regulations adopted thereunder (the "Act") provide that a buyer of residential real property located in the United States must withhold federal income taxes from the payment of the purchase price under certain circumstances. Seller agrees to comply with the Internal Revenue Service reporting requirements. If applicable, Seller agrees to complete, sign, and deliver to the appropriate party a certificate indicating whether Seller is a foreign person or non-resident alien under the Act.

26. FHA LOAN NOTICE: If the current loan on the property is insured by the Federal Housing Administration, the loan shall be paid in full at settlement in accordance with FHA rules and regulations.

27. LEGAL CONSTRUCTION: This Agreement is binding upon the parties hereto, and their personal representatives, successors, heirs and assigns. If this Agreement is signed by more than one person, it shall constitute the joint and several obligations of each. This Agreement contains the entire Agreement of the parties and cannot be changed except by the written agreement of the parties hereto. Seller warrants that there are no other existing agreements or conditions other than as set forth herein. This is a legally binding Agreement; if not understood, seek competent legal, tax or other professional advice. Seller has not relied upon any statement or representation of Broker except as set forth in this Agreement. This Agreement shall be interpreted and construed in accordance with the laws of the State of Maryland.

28. ADDENDA: The Addenda marked below, which are hereby attached, are made a part of this Agreement.

- | | |
|---|---|
| <input type="checkbox"/> Consent for Dual Agency | <input type="checkbox"/> Maryland Residential Property Disclosure/Disclaimer Statement |
| <input type="checkbox"/> Disclosure of Licensee/Employee Status | <input type="checkbox"/> Maryland Non-Resident Seller Transfer Withholding Tax Addendum |
| <input type="checkbox"/> Federal Lead-Based Paint Disclosure | <input type="checkbox"/> Protect Your Family from Lead in Your Home |
| <input type="checkbox"/> Financial Condition of Property Disclosure | <input type="checkbox"/> Understanding Whom Real Estate Agents Represent |
| <input type="checkbox"/> Inclusions/Exclusions | |
| <input type="checkbox"/> Lock Box | |
| <input type="checkbox"/> Other Addenda/Special Conditions: _____ | |

RECEIPT OF COPY: Seller acknowledges receipt of a copy of this Agreement at time of signing hereof.

Seller Date Broker (Company Name)

Seller Date Broker or Authorized Representative Date