

**Notice to Home Buyer of Deferred Water and Sewer Charges**

THIS ADDENDUM was executed simultaneously with and is an integral part of the new home sales contract dated \_\_\_\_\_ between \_\_\_\_\_ (the "**Builder**") and \_\_\_\_\_ (the "**Buyer**") for the property known as Lot \_\_\_\_\_ and having an address of \_\_\_\_\_ (the "**Property**") within the \_\_\_\_\_ development (the "**Development**").

This Property is subject to an annual assessment (the "**Water and Sewer Charges**") for costs related to construction and installation of certain water and sewer systems constructed within the Development. **The Water and Sewer Charges payable by Buyer are \_\_\_\_\_ per year payable for \_\_\_\_\_ years.**

The Water and Sewer Charges shall be due and payable to Freestate Utilities, LLC, its successors and assigns (the "**Company**"), on the first day of January of every year for a period of \_\_\_\_\_ years following the date the Buyer settles on the Property (the "**Commencement Date**"); provided, however, that the first year's payment shall be pro rated according to the number of days elapsed from the Commencement Date to December 31 of the same calendar year and the final payment shall be the applicable annual payment less the pro-rated amount paid for the first year. The pro rated first year's payment shall be payable by the Buyer at the time of the Buyer's settlement on the Property. Notwithstanding the foregoing, the Company, in its sole and absolute discretion, may allow or may require (i) Buyer to pay its annual Water and Sewer Charges in monthly, quarterly or bi-annual installments as determined by the Company, and (ii) Buyer's mortgagee to escrow and pay to the Company the Water and Sewer Charges. There is a right of prepayment for the Water and Sewer Charges, and the prepayment figure may be ascertained by contacting the Company or by reviewing the Declaration of Deferred Water and Sewer Charges recorded or to be recorded against the Property (the "**Water and Sewer Declaration**"). The Water and Sewer Charges are a lien on the Property as well as a contractual obligation between the Company and each owner of the Property and are not a fee or assessment by Howard County, Maryland. The water and sewer service supplied to and used in connection with the Property is to be furnished and billed for by Howard County. The billings for water and sewer service shall be the responsibility of Buyer and are separate and apart from the Water and Sewer Charges referred to in this Addendum.

Builder acknowledges having given to Buyer and Buyer acknowledges having received from Builder a copy of the Water and Sewer Declaration. Buyer has read and understands the above disclosure.

**IN WITNESS WHEREOF**, the undersigned have executed and delivered this Addendum as of the date first written above.

**BUILDER:**

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**BUYER:**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
  
By: \_\_\_\_\_  
Print Name: \_\_\_\_\_