

SELLER'S PROPERTY DISCLOSURE STATEMENT

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This form recommended and approved for, but not restricted to use by, the members of the Pennsylvania Association of REALTORS® (PAR)

1 PROPERTY 1501 Calypso Ave.

2 Seller: Grist Mill Development Co., LLC

4 The Real Estate Seller Disclosure Law (68 P.S. §7301 et seq.) requires that a seller of a property must disclose to a buyer all known material defects about the property being sold that are not readily observable. While the Law requires certain disclosures, this disclosure statement covers common topics beyond the basic requirements of the Law in an effort to assist sellers in complying with disclosure requirements and to assist buyers in evaluating the property being considered. Sellers who wish to see or use the basic disclosure form can find the form on the Web site of the Pennsylvania State Real Estate Commission.

9 This Statement discloses Seller's knowledge of the condition of the property as of the date signed by Seller and is not a substitute for any inspections or warranties that Buyer may wish to obtain. This Statement is not a warranty of any kind by Seller or a warranty or representation by any listing real estate broker, any selling real estate broker, or their licensees. Buyer is encouraged to address concerns about the conditions of the property that may not be included in this Statement. This Statement does not relieve Seller of the obligation to disclose a material defect that may not be addressed on this form.

14 A Material Defect is a problem with a residential real property or any portion of it that would have a significant adverse impact on the value of the property or that involves an unreasonable risk to people on the property. The fact that a structural element, system or subsystem is at or beyond the end of the normal useful life of such a structural element, system or subsystem is not by itself a material defect.

17 1. SELLER'S EXPERTISE Seller does not possess expertise in contracting, engineering, architecture, or other areas related to the construction and conditions of the property and its improvements, except as follows:

20 2. OCCUPANCY/OWNERSHIP

21 (a) Is the property currently occupied? [] Yes [X] No If "yes", by whom? [] Seller [] Other occupants (tenants)

22 If property is not occupied, when was it last occupied? _____

23 (b) How long have you owned the property? 2 months

24 (c) Are you aware of any pets having lived in the house or other structures during your ownership? [] Yes [X] No

25 If "yes," describe: _____

26 3. ROOF

27 (a) Date roof installed: _____ Documented? [] Yes [] No [X] Unknown

28 (b) Has the roof been replaced or repaired during your ownership? [] Yes [X] No

29 If "yes," was the existing roofing material removed? [] Yes [] No [X] Unknown

30 (c) Has the roof ever leaked during your ownership? [] Yes [X] No

31 (d) Are you aware of any problems with the roof, gutters, flashing or downspouts? [] Yes [X] No

32 Explain any "yes" answers in this section, including the location and extent of any problem(s) and any repair or remediation efforts:

34 4. BASEMENTS AND CRAWL SPACES (Complete only if applicable)

35 (a) Does the property have a sump pump? [] Yes [] No [X] Unknown

36 If "yes," has it ever run? [] Yes [] No [X] Unknown

37 (b) Are you aware of any water leakage, accumulation, or dampness within the basement or crawl space? [] Yes [] No [X] Unknown

38 (c) Do you know of any repairs or other attempts to control any water or dampness problem in the basement or crawl space? [] Yes [X] No

39 Explain any "yes" answers in this section, including the location and extent of any problem(s) and any repair or remediation efforts:

41 5. TERMITES/WOOD-DESTROYING INSECTS, DRYROT, PESTS

42 (a) Are you aware of any termites/wood-destroying insects, dryrot, or pests affecting the property? [] Yes [X] No

43 (b) Are you aware of any damage to the property caused by termites/wood-destroying insects, dryrot, or pests? [] Yes [] No [X] No

44 (c) Is your property currently under contract by a licensed pest control company? [] Yes [X] No

45 (d) Are you aware of any termite/pest control reports or treatments for the property? [] Yes [X] No

46 Explain any "yes" answers in this section, including the name of any service/treatment provider, if applicable:

48 6. STRUCTURAL ITEMS

49 (a) Are you aware of any past or present water leakage in the house or other structures? [] Yes [X] No

50 (b) Are you aware of any past or present movement, shifting, deterioration, or other problems with walls, foundations, or other structural components? [] Yes [X] No

51 (c) Are you aware of any past or present problems with driveways, walkways, patios, or retaining walls on the property? [] Yes [X] No

52 (d) Is your property constructed with an Exterior Insulating Finishing System (EIFS), such as Dryvit or synthetic stucco? [] Yes [X] No

54 Yes No Unknown If yes, date installed, if known _____

55 (e) Are there any defects (including stains) in flooring or floor coverings? Yes No Unknown

56 (f) Are you aware of any fire, storm, water or ice damage to the property? Yes No Unknown

57 **Explain any "yes" answers in this section, including the location and extent of any problem(s) and any repair or remediation efforts:**

59 **7. ADDITIONS/ALTERATIONS** Have any additions, structural changes, or other alterations been made to the property during your
60 ownership? Yes No

If yes, list additions, structural changes, or alterations (use additional sheets if necessary).	Approximate date of work	Were permits obtained? (Yes/No/Unknown)	Were final inspections/approvals obtained? (Yes/No/Unknown)

68 **Note to Buyer:** The PA Construction Code Act, 35 P.S. §7210.101 et seq. (effective 2004), and local codes establish standards for building
69 and altering properties. Buyers should check with the municipality to determine if permits and/or approvals were necessary for disclosed
70 work and if so, whether they were obtained. Where required permits were not obtained, the municipality might require the current owner to
71 upgrade or remove changes made by prior owners. Buyers can have the property inspected by an expert in codes compliance to determine
72 if issues exist. Expanded title insurance policies may be available for Buyers to cover the risk of work done to the property by previous
73 owners without a permit or approval.

74 **8. WATER SUPPLY**

75 (a) What is the source of your drinking water? Public Water Well on Property Community Water None
76 Other (explain): _____

77 (b) When was your water last tested? _____ Test results? _____
78 If your drinking water source is not public, is the pumping system in working order? Yes No
79 If "no," explain: _____

80 (c) Do you have a softener, filter, or other treatment system? Yes No
81 If you do not own the system, explain: _____

82 (d) Have you ever had a problem with your water supply? Yes No

83 (e) Has your well ever run dry? Yes No Not Applicable

84 (f) Is there a well on the property not used as the primary source of drinking water? Yes No
85 If yes, is the well capped? Yes No

86 (g) Is the water system shared? Yes No

87 (h) Are you aware of any leaks or other problems, past or present, relating to the water supply, pumping system, and related items?
88 Yes No

89 **Explain any "yes" answers in this section, including the location and extent of any problem(s) and any repair or remediation efforts:**

91 **9. SEWAGE SYSTEM**

92 (a) What is the type of sewage system? Public Sewer Individual On-lot Sewage Disposal System
93 Individual On-lot Sewage Disposal System in Proximity to Well Community Sewage Disposal System
94 Ten-acre Permit Exemption Holding Tank None None Available/Permit Limitations in Effect
95 Other type of sewage system (explain): _____

96 (b) If Individual On-lot sewage system, what type? Cesspool Drainfield Unknown
97 Other (specify): _____

98 (c) Are there any septic tanks on the Property? Yes No Unknown

99 If "yes," what type of tank(s)? Metal/steel Cement/concrete Fiberglass Unknown
100 Other (specify): _____

101 (d) When was the on-site sewage disposal system last serviced? _____

102 (e) Are there any sewage pumps located on the property? Yes No

103 If yes, type(s) of pump(s) _____ Are pump(s) in working order? Yes No
104 Who is responsible for maintenance of sewage pumps? _____

105 (f) Is the sewage system shared? Yes No

106 (g) Are you aware of any past or present leaks, backups or other problems relating to the sewage system and related items? Yes No
107 **Explain any "yes" answers in this section, including the location and extent of any problem(s) and any repair or remediation efforts:**

109 **10. PLUMBING SYSTEM**

110 (a) Type of plumbing (check all that apply): Copper Galvanized Lead PVC Polybutylene pipe (PB) Mixed
111 Unknown Other (explain): _____

PREPARED BY: Office, Office

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Buyer(s) _____

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112 (b) Are you aware of any problems with any of your plumbing fixtures (e.g., including but not limited to: kitchen, laundry, or bathroom
113 fixtures; wet bars; etc.)? Yes No
114 If "yes," explain: _____

115 **11. DOMESTIC WATER HEATING**

116 (a) Type of water heating: Electric Natural Gas Fuel Oil Propane Solar Summer/Winter Hook-Up
117 Other (explain): _____

118 (b) Are you aware of any problems with any water heater or related equipment? Yes No
119 If "yes," explain: _____

120 **12. AIR CONDITIONING SYSTEM**

121 (a) Type of air conditioning: Central Electric Wall Units Window Units None
122 Other (explain): _____

123 Number of window units included in sale _____ Location(s) _____

124 (b) Age of Central Air Conditioning System: _____ Unknown Date last serviced, if known _____

125 (c) List any areas of the house that are not air conditioned: _____
126

127 (d) Are you aware of any problems with any item in this section? Yes No
128 If "yes," explain: _____

129 **13. HEATING SYSTEM**

130 (a) Type(s) of heating fuel(s) (check all that apply): Electric Fuel Oil Natural Gas Propane
131 Coal Wood Other: _____

132 (b) Type(s) of heating system(s) (check all that apply): Forced Hot Air Hot Water Heat Pump
133 Electric Baseboard Steam Wood Stove (How many? _____) Coal Stove (How many? _____)
134 Other: _____

135 (c) Age of Heating System: _____ Unknown Date last serviced, if known _____

136 (d) Are there any fireplaces? Yes No If "yes," how many? _____ Are they working? Yes No

137 (e) Are there any chimneys (from a fireplace, water heater or any other heating system)? Yes No
138 If "yes," how many? _____ When were they last cleaned? _____
139 Are they working? Yes No If "no," explain: _____ Unknown

140 (f) List any areas of the house that are not heated: _____

141 (g) Are you aware of any heating fuel tanks on the property? Yes No
142 Location(s), including underground tank(s): basement
143 If you do not own the tanks, explain: _____

144 Are you aware of any problems or repairs needed regarding any item in this section? Yes No
145 If "yes," explain: _____
146

147 **14. ELECTRICAL SYSTEM**

148 (a) Type of Electrical System: Fuses Circuit Breakers How Many Amps? _____ Unknown
149 (b) Are you aware of any knob and tube wiring in the home? Yes No

150 Are you aware of any problems or repairs needed regarding any item in this section? Yes No
151 If "yes," explain: _____
152

153 **15. OTHER EQUIPMENT AND APPLIANCES**

154 **This section must be completed for each item that will, or may, be sold with the property. The fact that an item is listed does**
155 **not mean it is included in the Agreement of Sale. Terms of the Agreement of Sale negotiated between Buyer and Seller will**
156 **determine which items, if any, are included in the purchase of the Property.**

157 (a) Electric Garage Door Opener Number of Transmitters _____ Keyless Entry

158 (b) Smoke Detectors How many? _____ Location(s) _____

159 (c) Security Alarm System Owned Leased (Lease Information _____)

160 (d) Lawn Sprinkler(s) How many? _____ Automatic Timer

161 (e) Swimming Pool Hot Tub/Spa Pool/Spa Heater Pool/Spa Cover Whirlpool/Tub
162 Pool/Spa Equipment and Accessories (list): _____

163 (f) Refrigerator(s) Range/Oven Microwave Oven Dishwasher Trash Compactor Garbage Disposal
164 Chest Freezer Washer Dryer Intercom

165 (g) Ceiling Fan(s) How many? _____ Location _____

166 (h) Awnings Attic Fan(s) Satellite Dish Storage Shed Deck(s) Electric Animal Fence

167 (i) Other: _____
168 Are you aware of any problems or repairs needed regarding any item in this section? Yes No

169 If "yes," explain: _____

170 16. LAND (SOILS, DRAINAGE, FLOODING AND BOUNDARIES)

- 171 (a) Land/Soils
- 172 1) Are you aware of any fill or expansive soil on the property? Yes No
- 173 2) Are you aware of any sliding, settling, earth movement, upheaval, subsidence, or earth stability problems that have occurred on or
- 174 affect the property? Yes No
- 175 3) Are you aware of any existing, past or proposed mining, strip-mining, or any other excavations that might affect this property?
- 176 Yes No

177 **Note to Buyer:** The property may be subject to mine subsidence damage. Maps of the counties and mines where mine subsidence

178 damage may occur and mine subsidence insurance are available through: Department of Environmental Protection, Mine Subsidence

179 Insurance Fund, 25 Technology Drive, California Technology Park, Coal Center, PA 15423 (800) 922-1678 (within Pennsylvania) or

180 (724) 769-1100 (outside Pennsylvania).

- 181 4) Is the property, or a portion of it, preferentially assessed for tax purposes, or subject to limited development rights?
- 182 Yes No If "yes," check all that apply below:
- 183 **Farmland and Forest Land Assessment Act** - 72 P.S. §5490.1 et seq. (Clean and Green Program)
- 184 **Open Space Act** - 16 P.S. §11941 et seq.
- 185 **Agricultural Area Security Law** - 3 P.S. §901 et seq. (Development Rights)
- 186 Other _____

187 **Note to Buyer:** Pennsylvania has enacted the Right to Farm Act (3 P.S. §§951-957) in an effort to limit the circumstances under which

188 agricultural operations may be subject to nuisance suits or ordinances. Buyers are encouraged to investigate whether any agricultural

189 operations covered by the Act operate in the vicinity of the property.

190 Explain any "yes" answers in this section: _____

- 191
- 192 (b) Flooding/Drainage
- 193 1) Is any part of this property located in a wetland area or a FEMA flood zone? Yes No Unknown
- 194 2) Do you know of any past or present drainage or flooding problems affecting the property? Yes No

195 Explain any "yes" answers in this section, including dates and extent of flooding: _____

- 196
- 197 (c) Boundaries
- 198 1) Do you know of any encroachments, boundary line disputes, or easements affecting the property? Yes No
- 199 **Note to Buyer:** Most properties have easements running across them for utility services and other reasons. In many cases, the easements
- 200 do not restrict the ordinary use of the property, and Seller may not be readily aware of them. Buyers may wish to determine the existence of
- 201 easements and restrictions by examining the property and ordering an Abstract of Title or searching the records in the Office of the
- 202 Recorder of Deeds for the county before entering into an agreement of sale.
- 203 2) Do you access the property from a private road or lane? Yes No
- 204 If yes, do you have a recorded right of way or maintenance agreement? Yes No
- 205 3) Are you aware of any shared or common areas (e.g., driveways, bridges, docks, walls, etc.) or maintenance agreements?
- 206 Yes No

207 Explain any "yes" answers in this section: _____

209 17. HAZARDOUS SUBSTANCES AND ENVIRONMENTAL ISSUES

- 210 (a) Are you aware of any underground tanks (other than home heating fuel or septic tanks disclosed above)? Yes No
- 211 (b) Are you aware of any past or present hazardous substances present on the property (structure or soil) such as, but not limited to asbestos,
- 212 or polychlorinated biphenyls (PCBs), etc.? Yes No
- 213 (c) Are you aware of sewage sludge (other than commercially available fertilizer products) being spread on the property, or have you
- 214 received written notice of sewage sludge being spread on an adjacent property? Yes No
- 215 (d) Are you aware of any tests for mold, fungi, or indoor air quality in the property? Yes No
- 216 (e) Other than general household cleaning, have you taken any efforts to control or remediate mold or mold-like substances in the
- 217 property? Yes No

218 **Note to Buyer:** Individuals may be affected differently, or not at all, by mold contamination. If mold contamination or indoor air quality

219 is a concern, buyers are encouraged to engage the services of a qualified professional to do testing. Information on this issue is available

220 from the United States Environmental Protection Agency and may be obtained by contacting IAQ INFO, P.O. Box 37133, Washington,

221 D.C. 20013-7133, 1-800-438-4318.

- 222 (f) Are you aware of any dumping on the property? Yes No
- 223 (g) Have you received written notice regarding the presence of an environmental hazard or biohazard on your property or any adjacent
- 224 property? Yes No
- 225 (h) Are you aware of any tests for radon gas that have been performed in any buildings on the property? Yes No
- 226 If "yes," list date, type, and results of all tests below:

DATE	TYPE OF TEST	RESULTS (picocuries/liter or working levels)	NAME OF TESTING SERVICE

230 (i) Are you aware of any radon removal system on the property? Yes No
231 If "yes," list date installed and type of system, and whether it is in working order below:
232 DATE INSTALLED TYPE OF SYSTEM PROVIDER
233 _____
234 _____

WORKING ORDER?
 Yes No
 Yes No

235 (j) If property was constructed, or if construction began, before 1978, you must disclose any knowledge of lead-based paint on the property
236 Are you aware of any lead-based paint or lead-based paint hazards on the property? Yes No
237 If "yes," explain how you know of it, where it is, and the condition of those lead-based paint surfaces:
238 _____

239 (k) If property was constructed, or if construction began, before 1978, you must disclose any reports or records of lead-based paint or
240 lead-based paint hazards on the property. Are you aware of any reports or records regarding lead-based paint or lead-based paint hazard
241 on the property? Yes No
242 If "yes," list all available reports and records: _____

243 (l) Are you aware of testing on the property for any hazardous substances or environmental concerns? Yes No
244 (m) Are you aware of any other hazardous substances or environmental concerns that might impact upon the property? Yes No
245 **Explain any "yes" answers in this section:** _____
246 _____
247 _____
248 _____

249 **18. CONDOMINIUMS AND OTHER HOMEOWNER ASSOCIATIONS (Complete only if applicable)**

250 Type: Condominium Cooperative Homeowner Association or Planned Community
251 Other: _____

252 **Notice Regarding Condominiums, Cooperatives, and Planned Communities:** A buyer of a resale unit in a condominium, cooperative
253 or planned community must receive a copy of the declaration (other than the plats and plans), the by-laws, the rules or regulations
254 and a certificate of resale issued by the association in the condominium, cooperative, or planned community. Buyers may be responsible
255 for capital contributions, initiation fees or similar one-time fees in addition to regular monthly maintenance fees. The buyer will have
256 the option of canceling the agreement with the return of all deposit monies until the certificate has been provided to the buyer and for five
257 days thereafter or until conveyance, whichever occurs first.

258 **19. MISCELLANEOUS**

259 (a) Are you aware of any historic preservation restriction or ordinance or archeological designation associated with the property?
260 Yes No

261 (b) Are you aware of any existing or threatened legal action affecting the property? Yes No

262 (c) Are you aware of any violations of federal, state, or local laws or regulations relating to this property? Yes No
263 (d) Are you aware of any public improvement, condominium or homeowner association assessments against the property that remain unpaid
264 or of any violations of zoning, housing, building, safety or fire ordinances that remain uncorrected? Yes No

265 (e) Are you aware of any judgment, encumbrance, lien (for example co-maker or equity loan), overdue payment on a support obligation, or
266 other debt against this property that cannot be satisfied by the proceeds of this sale? Yes No

267 (f) Are you aware of any reason, including a defect in title, that would prevent you from giving a warranty deed or conveying title to the
268 property? Yes No

269 (g) Are you aware of any insurance claims filed relating to the property? Yes No

270 (h) Are you aware of any material defects to the property, dwelling, or fixtures which are not disclosed elsewhere on this form?
271 Yes No

272 A material defect is a problem with a residential real property or any portion of it that would have a significant adverse impact on the
273 value of the property or that involves an unreasonable risk to people on the property. The fact that a structural element, system or
274 subsystem is at or beyond the end of the normal useful life of such a structural element, system or subsystem is not by itself a material
275 defect.

276 **Explain any "yes" answers in this section:** _____
277 _____

278 **The undersigned Seller represents that the information set forth in this disclosure statement is accurate and complete to the best of**
279 **Seller's knowledge. Seller hereby authorizes the Listing Broker to provide this information to prospective buyers of the property and to**
280 **other real estate licensees. SELLER ALONE IS RESPONSIBLE FOR THE ACCURACY OF THE INFORMATION CONTAINED IN**
281 **THIS STATEMENT. Seller shall cause Buyer to be notified in writing of any information supplied on this form which is rendered**
282 **inaccurate by a change in the condition of the property following completion of this form.**

283 PREPARED BY: Office, Office


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Seller(s) _____

WITNESS _____ SELLER  DATE 3/28/10

WITNESS _____ SELLER _____ DATE _____

284 **EXECUTOR, ADMINISTRATOR, TRUSTEE SIGNATURE BLOCK**
 285 According to the provisions of the Real Estate Seller Disclosure Law, the undersigned executor, administrator or trustee is not required to
 286 fill out a Seller's Property Disclosure Statement. The executor, administrator or trustee, must, however, disclose any known material
 287 defect(s) of the property.
 288 _____ DATE _____

289 **RECEIPT AND ACKNOWLEDGEMENT BY BUYER**
 290 The undersigned Buyer acknowledges receipt of this Disclosure Statement. Buyer acknowledges that this Statement is not a
 291 warranty and that, unless stated otherwise in the sales contract, Buyer is purchasing this property in its present condition. It is
 292 Buyer's responsibility to satisfy himself or herself as to the condition of the property. Buyer may request that the property be
 293 inspected, at Buyer's expense and by qualified professionals, to determine the condition of the structure or its components.
 294

WITNESS _____ BUYER _____ DATE _____

WITNESS _____ BUYER _____ DATE _____

INFORMATION REGARDING THE REAL ESTATE SELLER DISCLOSURE LAW

Generally speaking, the Real Estate Seller Disclosure Law requires that before an agreement of sale is signed, the seller in a residential real estate transfer must make certain disclosures regarding the property to potential buyers in a form defined by the law. A residential real estate transfer is defined as a sale, exchange, installment sales contract, lease with an option to buy, grant or other transfer of an interest in real property where **NOT LESS THAN ONE AND NOT MORE THAN FOUR RESIDENTIAL DWELLING UNITS** are involved.

- The Law defines a number of exceptions where the disclosures do not have to be made:
1. Transfers that are the result of a court order.
 2. Transfers to a mortgage lender that result from a buyer's default and subsequent foreclosure sales that result from default.
 3. Transfers from a co-owner to one or more other co-owners.
 4. Transfers made to a spouse or direct descendant.
 5. Transfers between spouses that result from divorce, legal separation, or property settlement.
 6. Transfers by a corporation, partnership or other association to its shareholders, partners or other equity owners as part of a plan of liquidation.
 7. Transfer of a property to be demolished or converted to non-residential use.
 8. Transfer of unimproved real property.
 9. Transfers by a fiduciary during the administration of a decedent estate, guardianship, conservatorship or trust.
 10. Transfers of new construction that has never been occupied when:
 - a. The buyer has received a one-year warranty covering the construction;
 - b. The building has been inspected for compliance with the applicable building code or, if none, a nationally recognized model building code; and
 - c. A certificate of occupancy or a certificate of code compliance has been issued for the dwelling.

In addition to these exceptions, disclosures for condominiums and cooperatives are limited to the seller's particular unit(s). Disclosures regarding common areas or facilities are not required, as those elements are already addressed in the laws that govern the resale of condominium and cooperative interests.