

Seller Initials _____ WPML SELLER DISCLOSURE STATEMENT _____ Buyer Initials _____

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WPML LISTING # 08/2016 REVISED

SELLER INFORMATION

Seller(s) Name(s): Estate of Robert G Murphy

Property Address (Mailing Address and Municipality of Property) (hereinafter referred to as the "Property"):

723 Barron Lane, Champion, PA 15622

Approximate age of Property: _____ Years Seller has owned Property: _____

NOTICE TO PARTIES

A Seller must comply with the Seller Disclosure Law and disclose to a Buyer all known material defects about the Property being sold that are not readily observable. This document must be completed by the Seller and each page initialed by the Buyer and Seller following their review. This Disclosure Statement is designed to assist the Seller in complying with disclosure requirements and to assist the Buyer in evaluating the Property being considered. This form is to be completed by every non-exempt Seller, even if the Seller does not occupy or never occupied the property. The compliance provisions are generally described in paragraphs 19 and 21 below.

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. 68. P.S. §7301 et seq. The law defines a residential real estate transfer 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, and these exceptions are as follows:

- 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 a warranty of at least one year 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.

Except where these exceptions apply, the Seller is required to satisfy the requirements of the Real Estate Seller Disclosure Law as they may be amended and is required to make disclosures in accordance with the provisions of the Law. Although there are exceptions to the requirements of the Seller Disclosure Law, certain disclosures may still be required under Common Law.

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.

This Statement discloses Seller's knowledge of the condition of the Property as of the date signed by the Seller and is not a substitute for any inspections or warranties that the Buyer may wish to obtain. This Statement is not a warranty of any kind by the Seller or a warranty or representation by the West Penn Multi-List, Inc., any listing real estate broker, any selling real estate broker, or their agents. The Buyer is encouraged to address concerns about any condition of the Property that may not be included in this statement with the Seller and/or by and through an appropriate inspection. This Statement does not relieve the Seller of the obligation to disclose a material defect that may not be addressed on this form.

This form is intended to assist Sellers in complying with the disclosure requirements and/or to assist Buyers in evaluating the property being considered. As such, certain information may be beyond the basic disclosure requirements found in the Law. A Seller who wishes to review the basic disclosure form can find the form on the website of the Pennsylvania State Real Estate Commission. In any event, Seller(s) must disclose all known material defects with the property.

If an item of information is unknown or not available to Seller and Seller has made an effort to ascertain it, Seller may make a disclosure based on the best information available provided it is identified as a disclosure based on an incomplete factual basis.

A material defect is an issue/problem with the residential real Property or any portion of it that would have a significant adverse impact on the value of the residential real Property or that INVOLVES AN UNREASONABLE RISK TO PEOPLE ON THE LAND OR PROPERTY. The fact that a structural element, system, or subsystem is near, at, or beyond the normal useful life of such structural element, system, or subsystem is not by itself a material defect. When completing this form, check "yes," "no," "unknown (unk)," or "not applicable (N/A)" for each question. If a question does not apply to the property, "N/A" should be selected. "Unknown (unk)" should only be checked when the question does apply to the property but the Seller is uncertain of the answer.

1. SELLER'S EXPERTISE

Table with 2 columns: Yes, No. Rows a, b, c with corresponding questions about expertise, landlord status, and real estate license.

Explain any "yes" answers in section 1: _____

2. IDENTITY OF INDIVIDUAL COMPLETING THIS DISCLOSURE

Table with 3 columns: Yes, No, Unk. Row 1 with question: Is the individual completing this form: 1. The Owner, 2. The Executor/trix of an Estate, 3. The Administrator of an Estate, 4. The Trustee, 5. An individual holding Power of Attorney

3. OWNERSHIP/OCCUPANCY

Table with 3 columns: Yes, No, Unk. Rows a-f with questions about occupancy, zoning, pets, and purchase details.

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4. ROOF & ATTIC

	Yes	No	Unk
a			
b			
c			
d			

Explain any "yes" answers by including specific information on the location of the problem/issue and a description of any repair efforts, including a description of the repair(s) and the date(s) the repair(s) were attempted, or attach a more detailed summary. Please also provide all available documentation related to the issues with the roof, including repair efforts or problems.

- (a) Date roof was installed: _____ Do you have documentation? _____ Yes _____ No
- (b) Has the roof been replaced, repaired, or overlaid during your ownership?
- (c) Has the roof ever leaked during your ownership?
- (d) Do you know of any current or past problems with the roof, attic, gutters, or downspouts?

5. SUMP PUMPS, BASEMENTS, GARAGES, AND CRAWL SPACES

	Yes	No	Unk	N/A
a				
b				
c				
d				
e				
f				
g				
h				
i				

Explain any "yes" answers with specific information on the location of the problem/issue and a description of any repair efforts, including a description of the repair(s) and the date(s) the repair(s) were attempted on the lines below, or a more detailed summary may be attached.

- (a) Does the Property have a sump pump, or grinder pump?
- (b) Does the property have a sump pit? If so, how many? _____ Where are they located? _____
- (c) Are you aware of sump pumps ever being required to be used at this property?
- (d) If there is a sump pump at this address, is the sump pump in working order?
- (e) To your knowledge, if there is a sump pump, has the sump pump been required to operate for any length of time?
- (f) Are you aware of any water leakage, accumulation, or dampness within the basement, garage, or crawl space?
- (g) Do you know of any repairs or other attempts to control any water or dampness problem(s) in the basement, garage, or crawl space?
- (h) Are the downspouts or gutters connected to a public system?
- (i) Does the property have a grinder pump? If so, how many? _____ Where are they located? _____

6. TERMITES, WOOD-DESTROYING INSECTS, DRY ROT, PESTS

	Yes	No	Unk
a			
b			
c			
d			

Explain any "yes" answers with specific information on the location of the problem/issue and a description of any repair efforts, including a description of the repair(s) and the date(s) the repair(s) were attempted, or attach a more detailed summary.

- (a) Are you aware of any termites/wood-destroying insects, dry rot, or pests affecting the property?
- (b) Are you aware of any damage to the property caused by termites, wood-destroying insects, dry rot, or pests?
- (c) Is the property currently under contract by a licensed pest control company?
- (d) Are you aware of any termite, pest control reports, or treatments to the property?

For purposes of this section, the reference to "pest" is to any insect, rodent, or other creature that has caused damage to, infiltrated and/or threatened to damage the property.

7. STRUCTURAL ITEMS

	Yes	No	Unk
a			
b			
c			
d			
e			
f			
g			
h			
i			

Explain any "yes" answers with specific information on the location of the problem/issue and a description of any repair efforts, including a description of the repair(s) and the date(s) the repair(s) were attempted, and attach a more detailed summary.

- (a) Are you aware of any past or present water leakage in the house or other structure in areas other than the roof, basement, and/or crawl spaces?
- (b) Are you aware of any past or present movement, shifting, infiltration, deterioration, or other problem with walls, foundations, or other structural components?
- (c) Are you aware of any past or present problems with driveways, walkways, patios, or retaining walls on the Property?
- (d) Have there been any repairs or other attempts to remedy or control the cause or effect of any defects or conditions described above?
- (e) Are you aware of any problem with the use or operation of the windows?
- (f) Are you aware of defects (including stains) in flooring or floor coverings?
- (g) Has there ever been fire damage to the Property?
- (h) Are you aware of any past or present water or ice damage to the Property?
- (i) Is the property constructed with an exterior insulating finishing system (known as "EIFS"), such as synthetic stucco, dryvit, or other similar material?
If "yes," provide the installation date: _____

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8. ADDITIONS/REMODELING

Yes	No	Unk

a (a) Have you made any additions, structural changes, or other alterations to the property during your ownership?

If "yes," list additions, structural changes, or alterations	Approximate date of work	Were permits obtained?	Were final inspections/approvals obtained (Yes/No/Unknown)

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

- b (b) Did you obtain all necessary permits and approvals and was all work in compliance with building codes?
- c (c) Did any former owners of the Property make any additions, structural changes, or other alterations to the Property? If "yes," please identify the work that was done and indicate whether all necessary permits and approvals were obtained along with compliance with building codes: _____

9. WATER SUPPLY

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

A	Yes	No	Unk	N/A	(A) Source
1					1. Public Water
2					2. A well on the property
3					3. Community Water
4					4. No Water Service (explain): _____
5					5. Other (explain): _____
B					(B) Bypass valve (for properties with multiple water sources)
1					1. Does your water source have a bypass valve?
2					2. If "yes," is the bypass valve working?
C					(C) General
1					1. Does the property have a water softener, filter, or other type of treatment system? If you do not own the system, explain: _____
2					2. Have you ever experienced a problem of any nature with your water supply? If "yes," please explain: _____
3					3. If the property has a well, do you know if the well has ever run dry?
4					4. Is there a well on the property not used as the primary source of drinking water?
5					5. Is the water system on this property shared?
6					6. Are you aware of any leaks or other problems, past or present, related to the water supply, pumping system, well, and related items? If "yes," please explain: _____
7					7. Are you aware of any issues/problems with the water supply or well as the result of drilling (for oil, gas, etc.) on the property?
8					8. Are you aware of any issues/problems with the water supply or well as the result of drilling (for possible oil and gas or any other substance) on any surrounding properties?
9					9. If your drinking water source is not public: When was your water last tested? Date _____
a					(a) Was the test documented?
b					(b) What was the result of the test? _____

10. SEWAGE SYSTEM

Explain any "yes" answers with specific information on the location of the problem/issue and a description of any repair efforts, including a description of the repair(s) and the date(s) the repair(s) were attempted, and attach a more detailed summary.

A	Yes	No	Unk	N/A	(A) What is the type of sewage system?
1					1. Public Sewer
2					2. Individual on-lot sewage system
3					3. Individual on-lot sewage system in proximity to well
4					4. Community sewage disposal system
5					5. Ten-acre permit exemption
6					6. Holding tank
7					7. Cesspool
8					8. Septic tank
9					9. Sand mound
10					10. None
11					11. None available/permit limitations in effect
12					12. Other. If "other," please explain: _____

Note to Seller and Buyer: If this Property is not serviced by a community sewage system, The Pennsylvania Sewage Facilities Act requires disclosure of this fact and compliance with provisions of the Act. A Sewage Facilities Disclosure of the type of sewage facility must be included in every Agreement of Sale.

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10. SEWAGE SYSTEM (continued)

Explain any "yes" answers with specific information on the location of the problem/issue and a description of any repair efforts, including a description of the repair(s) and the date(s) the repair(s) were attempted, and attach a more detailed summary.

Table with 4 columns: Yes, No, Unk, N/A. Rows 1-5.

- (B) Miscellaneous
1. Is there a sewage pump?
2. If there is a sewage pump, is the sewage pump in working order?
3. When was the septic system, holding tank, or cesspool last serviced?
4. Is the sewage system shared? If "yes," please explain:
5. Are you aware of any leaks, backups, or other problems relating to any of the plumbing, water, and sewage-related items? If "yes," please explain:

11. PLUMBING SYSTEM

Table with 4 columns: Yes, No, Unk. Rows 1-7, B, 1.

- (A) Type of plumbing:
1. Copper
2. Galvanized
3. Lead
4. PVC
5. Polybutylene pipe (PB)
6. Mixed
7. Other. If "other," please explain:
(B) Known problems
1. Are you aware of any problems with any of your plumbing fixtures (including but not limited to: kitchen, laundry or bathroom fixtures, wet bars, hot water heater, etc.)? If "yes," please explain:

12. DOMESTIC WATER HEATING

Table with 4 columns: Yes, No, Unk. Rows 1-7, B, 1, 2.

- (A) Type of water heating:
1. Electric
2. Natural Gas
3. Fuel Oil
4. Propane
5. Solar
6. Summer/Winter Hook-Up
7. Other. If "other," please explain:
(B) Known problems and age
1. Are you aware of any problems with any water heater or related equipment? If "yes," please explain:
2. If a water heater is present, what is its age?

13. AIR CONDITIONING SYSTEM

Table with 4 columns: Yes, No, Unk. Rows 1-8.

- (A) Type of air conditioning:
1. Central electric
2. Central gas
3. Wall Units
4. None
5. Number of window units included in sale: Location(s):
6. List any areas of the house that are not air conditioned:
7. Age of Central Air Conditioning System: Date last serviced, if known:
8. Are you aware of any problems with any item in this section? If "yes," explain:
Explain any "yes" answers with specific information on the location of the problem/issue and a description of any repair efforts, including a description of the repair(s) and the date(s) the repair(s) were attempted, or attach a more detailed summary.

14. HEATING SYSTEM

Table with 4 columns: Yes, No, Unk. Rows 1-9, B, 1-4.

- (A) Type(s) of heating fuel(s) (check all that apply):
1. Electric
2. Fuel Oil
3. Natural Gas
4. Propane
5. Coal
6. Wood
7. Pellet
8. Other. If "other," please explain:
9. Are you aware of any problems with any item in this section? If "yes," please explain:
(B) Type(s) of heating system(s) (check all that apply):
1. Forced Hot Air
2. Hot Water
3. Heat Pump
4. Electric Baseboard

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14. HEATING SYSTEM (continued)

	Yes	No	Unk
5			
6			
7			
C			
D			
E			
F			
1			
2			
3			
G			
1			
2			
H			
1			
2			
I			

- 5. Steam
- 6. Wood Stove (How many? _____)
- 7. Other
- (C) Age of Heating System: _____
- (D) Date last serviced, if known: _____
- (E) List any areas of the house that are not heated: _____
- (F) Are there any fireplaces? How many? _____
 - 1. Are all fireplace(s) working?
 - 2. Fireplace types (woodburning, gas, electric, etc.)? _____
 - 3. Were the fireplaces installed by a professional contractor or manufacturer's representative?
- (G) Are there any chimneys (from a fireplace, water heater, or any other heating system)?
 - 1. How many chimney(s)? _____ When were they last cleaned? _____
 - 2. Are the chimney(s) working? _____ If "no," explain: _____
- (H) Are you aware of any heating fuel tanks on the Property?
 - 1. If "yes," please describe the location(s), including underground tank(s): _____
 - 2. If you do not own the tank(s), explain: _____
- (I) Are you aware of any problems or repairs needed regarding any item in this section? If "yes," please explain: _____

15. ELECTRICAL SYSTEM

	Yes	No	Unk
A			
1			
2			
3			
4			

- (A) Type of electrical system:
 - 1. Fuses
 - 2. Circuit Breakers - How many amps? _____
 - 3. Are you aware of any knob and tube wiring in the home?
 - 4. Are you aware of any problems or repairs needed in the electrical system?
If "yes," please explain: _____

16. OTHER EQUIPMENT AND APPLIANCES WHICH MAY BE INCLUDED IN SALE (COMPLETE WHERE APPLICABLE):

	Yes	No	Unk
A			
1			
B			
1			
C			
1			
D			
E			
1			
2			
F			
1			
2			
G			
1			
2			
3			
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5			
6			
7			
H			
1			
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J			
K			
L			
M			
N			
O			
P			
Q			
1			

- 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 not mean it is included in the Agreement of Sale. Terms of the Agreement of Sale negotiated between Buyer and Seller will determine which items, if any, are included in the purchase of the Property.**
- (A) Electric garage door opener. Number of transmitters: _____
 - 1. Are the transmitters in working order?
 - (B) Keyless entry?
 - 1. Is the system in working order?
 - (C) Smoke detectors? How many? _____
 - 1. Location of smoke detectors: _____
 - (D) Carbon Monoxide and/or other detectors? Identify other types of detectors, if applicable, and their location(s): _____
 - (E) Security Alarm system?
 - 1. If "yes," is system owned?
 - 2. Is system leased? If system is leased, please provide lease information: _____
 - (F) Lawn sprinkler system?
 - 1. Number of sprinklers: _____ Automatic timer?
 - 2. Is the system in working order?
 - (G) Swimming Pool?
 - 1. Is it in ground?
 - 2. Is it out of ground?
 - 3. Other (please explain): _____
 - 4. Pool heater?
 - 5. In working order?
 - 6. Pool cover?
 - 7. List all pool equipment: _____
 - (H) Spa/Hot Tub/Whirlpool Tub/Other similar equipment? Explain: _____
 - 1. Are there covers available?
 - (I) Refrigerator?
 - (J) Range/Oven?
 - (K) Microwave?
 - (L) Convection Oven?
 - (M) Dishwasher?
 - (N) Trash Compactor?
 - (O) Garbage Disposal?
 - (P) Freezer?
 - (Q) Are the items in this sections (H) – (P) in working order? If "no," please explain: _____
 - 1. Please also identify the location if these items are not in the kitchen. _____

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16. OTHER EQUIPMENT AND APPLIANCES WHICH MAY BE INCLUDED IN SALE (COMPLETE WHERE APPLICABLE) (continued):

	Yes	No	Unk	
R				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 not mean it is included in the Agreement of Sale. Terms of the Agreement of Sale negotiated between Buyer and Seller will determine which items, if any, are included in the purchase of the Property.
1				(R) Washer? 1. Is it in working order?
S				(S) Dryer? 1. Is it in working order?
1				(T) Intercom system? 1. Is it in working order?
T				(U) Ceiling fans? Number of ceiling fans _____ 1. Are they working order?
1				2. Location of ceiling fans: _____
2				(V) Awnings?
V				(W) Attic Fan(s)
W				(X) Exhaust Fans?
X				(Y) Storage Shed?
Y				(Z) Deck?
Z				(AA) Any type of invisible animal fence?
AA				(BB) Satellite dish?
BB				(CC) Describe any equipment, appliance or items not listed above: _____
CC				(DD) Are any items in this section in need of repair or replacement? If "yes," please explain: _____
DD				

17. LAND (SOILS, DRAINAGE, SINKHOLES, AND BOUNDARIES)

	Yes	No	Unk	
A				Explain any "yes" answers with specific information on the location of the problem/issue and a description of any repair efforts, including a description of the repair(s) and the date(s) the repair(s) were attempted, or attach a more detailed summary.
B				(A) Are you aware of any fill or expansive soil on the Property?
C				(B) Are you aware of any sliding, settling, earth movement, upheaval, subsidence, or earth stability problems that have occurred on or that affect the Property?
D				(C) Are you aware of any existing or proposed mining, strip mining, or any other excavations that might affect this Property?
				(D) Do you currently have a flood insurance policy on this property?

**NOTE TO BUYER: THE PROPERTY MAY BE SUBJECT TO MINE SUBSIDENCE DAMAGE. MAPS OF THE COUNTIES AND MINES WHERE MINE SUBSIDENCE DAMAGE MAY OCCUR AND INFORMATION ON MINE SUBSIDENCE INSURANCE ARE AVAILABLE THROUGH:
DEPARTMENT OF ENVIRONMENTAL PROTECTION, MINE SUBSIDENCE INSURANCE FUND, 25 TECHNOLOGY DRIVE, CALIFORNIA TECHNOLOGY PARK, COAL CENTER, PA 15423, 1-800-922-1678 OR 724-769-1100.**

	Yes	No	Unk	
E				(E) To your knowledge, is the Property, or part of it, located in a flood zone or wetlands area?
F				(F) Do you know of any past or present drainage or flooding problems affecting the Property or adjacent properties?
G				(G) Do you know of encroachments, boundary line disputes, rights of way, or easements?

Note to Buyer: Most properties have easements running across them for utility services and other reasons. In many cases, the easements do not restrict the ordinary use of the Property, and the Seller may not be readily aware of them. Buyers may wish to determine the existence of easements and restrictions by examining the Property and ordering an Abstract of Title or searching the records in the Office of the Recorder of Deeds for the County before entering into an agreement of sale.

H				(H) Are you aware of any shared or common areas (i.e., driveways, bridges, docks, walls, etc.) or maintenance agreements?
I				(I) Do you have an existing survey of the Property? If "yes," has the survey been made available to the Listing Real Estate Broker?
J				(J) Does the Property abut a public road? If not, is there a recorded right-of-way and maintenance agreement to a public road?
K				(K) Is the Property, or a portion of it, preferentially assessed for tax purposes or subject to limited development rights? If "yes," check all that apply:
1				1. Farmland and Forest Land Assessment Act - 72 P.S. § 5490.1 et seq. (Clean and Green Program)
2				2. Open Space Act - 16 P.S. § 11941 et seq.
3				3. Agricultural Area Security Law - 3 P.S. § 901 et seq. (Development Rights)
4				4. Other: _____
L				(L) Has the property owner(s) attempted to secure mine subsidence insurance?
M				(M) Has the property owner(s) obtained mine subsidence insurance? Details: _____
N				(N) Are you aware of any sinkholes that have developed on the property?
O				(O) Do you know the location and condition of any basin, pond, ditch, drain, swell, culvert, pipe, or other man-made feature of land that temporarily or permanently conveys or manages stormwater for the property?
P				(P) If the answer to subparagraph (O) above is "yes:"
1				1. Is the owner of the property responsible for the ongoing maintenance of the stormwater facility?
2				2. Is the maintenance responsibility with another person or entity?

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17. LAND (SOILS, DRAINAGE, SINKHOLES, AND BOUNDARIES) (continued)

Table with 3 columns: Yes, No, Unk. Row Q is shaded.

(Q) If the maintenance responsibility referenced in subparagraph (P) above is with another person or entity, please identify that person or entity by name and address, and also identify any documents the Owner believes establish this maintenance responsibility.

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 agricultural operations may be subject to nuisance suits or ordinances. Buyers are encouraged to investigate whether any agricultural operations covered by the Act operate in the vicinity of the Property. Explain any "yes" answers in this section:

18. HAZARDOUS SUBSTANCES AND ENVIRONMENTAL ISSUES

Table with 4 columns: Yes, No, Unk, N/A. Rows A-H are shaded.

Explain any "yes" answers with specific information on the location of the problem/issue and a description of any repair efforts, including a description of the repair(s) and the date(s) the repair(s) were attempted, or attach a more detailed summary. (A) Are you aware of any underground tanks (other than home heating fuel or septic tanks disclosed above)? (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 or polychlorinated biphenyls (PCBs), etc.? (C) Are you aware of sewage sludge (other than commercially available fertilizer products) being spread on the property, or have you received written notice of sewage sludge being spread on an adjacent property? (D) Are you aware of any tests for mold, fungi, or indoor air quality in the Property? (E) Other than general household cleaning, have you taken any efforts to control or remediate mold or mold-like substances in the property? (F) Are you aware of any dumping on the Property? (G) Are you aware of the presence of an environmental hazard or biohazard on your property or any adjacent property? (H) Are you aware of any tests for radon gas that have been performed in any buildings on the Property?

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

Table with 4 columns: Yes, No, Unk, N/A. Row I is shaded.

(I) Are you aware of any radon removal system on the Property? If "yes," list date installed and type of system, and whether it is in working order below:

Table with 4 columns: DATE INSTALLED, TYPE OF SYSTEM, PROVIDER, WORKING ORDER (Yes/No).

Table with 4 columns: Yes, No, Unk, N/A. Rows J, 1, K, 1, L, M are shaded.

(J) If Property was constructed, or if construction began before 1978, you must disclose any knowledge of lead-based paint on the Property. Are you aware of any lead-based paint or lead-based paint hazards on the Property? 1. If "yes," explain how you know of them, where they are, and the condition of those lead-based paint surfaces: (K) If Property was constructed, or if construction began before 1978, you must disclose any reports or records of lead-based paint or lead based paint hazards on the Property. Are you aware of any reports or records regarding lead-based paint or lead-based paint hazards on the Property? 1. If "yes," list all available reports and records: (L) Are you aware of testing on the Property for any other hazardous substances or environmental concerns? (M) Are you aware of any other hazardous substances or environmental concerns that might impact upon the property?

Explain any "yes" answers in this section:

Details:

Note to Buyer: Individuals may be affected differently, or not at all, by mold contamination, lead-based paint, or other environmental concerns. If mold contamination, indoor air quality, lead-based paint, or any other type of environmental issue is a concern, Buyers are encouraged to engage the services of a qualified professional to do testing. Information on environmental issues is available from the United States Environmental Protection Agency and may be obtained by contacting IAQ INFO: P.O. Box 37133, Washington, D.C. 20013-7133, 1-800-438-4318.

19. CONDOMINIUM AND OTHER HOMEOWNER ASSOCIATIONS (COMPLETE ONLY IF APPLICABLE)

Table with 3 columns: Yes, No, Unk. Rows A, 1, 2, 3, 4 are shaded.

(A) Please indicate whether the property is part of a: 1. Condominium Association 2. Cooperative Association 3. Homeowners Association or Planned Community 4. Other: If "other," please explain:

NOTICE TO BUYER: Notice regarding condominiums, cooperatives, and homeowners' associations: According to Section 3407 of the Uniformed Condominium Act (68 Pa.C.S. §3407) (Relating to resales of units) and 68 Pa. C.S. §4409 (Relating to resales of cooperative interests) and Section 5407 of the Uniform Planned Community Act (68 Pa.C.S.A. 5407), a Buyer of a resale Unit must receive a Certificate of Resale issued by the Association. The Buyer will have the option of canceling the Agreement with return of all deposit moneys until the Certificate has been provided to the Buyer and for five days thereafter or until conveyance, whichever occurs first. The Seller must be sure the Buyer receives a Resale Certificate. In addition, a Buyer of a Resale Unit in a condominium, cooperative, or planned community must receive a copy of the declaration (other than the plats and plans), the by-laws, the rules or regulations, and a certificate of resale issued by the association in the condominium, cooperative, or planned community. Buyers may be responsible for capital contributions, initiation fees, or similar one-time fees in addition to regular monthly maintenance fees. The buyer will have 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 (5) days thereafter or until conveyance, whichever occurs first.

A WEST PENN MULTI-LIST, INC. SELLER DISCLOSURE FORM IS REQUIRED TO BE COMPLETED AND SIGNED BY THE SELLER(S)

Seller Initials _____

WPML SELLER DISCLOSURE STATEMENT

Buyer Initials _____

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WPML LISTING # 08/2016 REVISED

19. CONDOMINIUM AND OTHER HOMEOWNER ASSOCIATIONS (COMPLETE ONLY IF APPLICABLE) (continued)

Table with 3 columns: Yes, No, Unk. Rows 1-6.

- (B) Damages/Fees/Miscellaneous Other
1. Do you know of any defect, damage or problem with any common elements or common areas which could affect their value or desirability?
2. Do you know of any condition or claim which may result in an increase in assessments or fees?
3. What are the current fees for the Association(s)?
4. Are the Association fees paid: Monthly [] Quarterly [] Annually [] Other []
5. Are there any services or systems that the Association or Community is responsible for supporting or maintaining?
6. Is there a capital contribution or initiation fee? If so, how much is said fee?

If your answer to any of the above is "yes," please explain each answer: _____

20. MISCELLANEOUS

Table with 3 columns: Yes, No, Unk. Rows A-F.

- Explain any "yes" answers with specific information on the location of the problem/issue and a description of any repair efforts, including a description of the repair(s) and the date(s) the repair(s) were attempted, or attach a more detailed summary.
(A) Are you aware of any existing or threatened legal action affecting the Property?
(B) Do you know of any violations of federal, state, or local laws or regulations relating to this Property?
(C) Are you aware of any public improvement, condominium, or homeowner association assessments against the Property that remain unpaid or of any violations of zoning, housing, building, safety, or fire ordinances that remain uncorrected?
(D) Are you aware of any judgment, encumbrances, lien (for example, comaker or equity loan), or other debt against this Property that cannot be satisfied by the proceeds of this sale?
(E) 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 Property?
(F) Are you aware of any material defects to the Property, dwelling, or fixtures which are not disclosed elsewhere on this form?

A material defect is an issue/problem with the Property or any portion of it that would have significant adverse impact on the value of the residential real Property or that INVOLVES AN UNREASONABLE RISK TO PEOPLE ON THE LAND. The fact that a structural element, system, or subsystem is near, at, or beyond the normal useful life of such structural element, system, or subsystem is not by itself a material defect.

Table with 3 columns: Yes, No, Unk. Rows G-J.

- (G) Are you aware if the sale of this property would be subject to the provisions of the Foreign Investment in Real Property Tax Act, 26 U.S.C. §1445, as may be amended, which provides that a Buyer must withhold ten (10%) percent of the amount realized by a foreign Seller from the sale of an interest in U.S. Real Property? If the Seller is a foreign person and the Buyer fails to withhold this amount, the Buyer may be held liable for the tax.
(H) Are you aware of any historic preservation restriction or ordinance or archeological designation associated with the Property?
(I) Are you aware of any insurance claims filed relating to the Property?
(J) Is there any additional information that you feel you should disclose to a prospective Buyer because it may materially and substantially affect the value or desirability of the Property, e.g. zoning violation, set-back violations, zoning changes, road changes, pending land use appeals, pending municipal improvements, pending tax assessment appeals, etc.?

If any answer in this section is "yes," explain in detail: _____

Table with 3 columns: Yes, No, Unk. Rows K-L.

- (K) Have you ever attempted to obtain insurance of any nature for the property and were rejected?
(L) Are you aware of a lease of the oil, gas, or mineral rights being agreed to for this particular property?

Explain any "yes" answers by including specific information concerning the lease agreement(s) as well as the lease terms: _____

Table with 3 columns: Yes, No, Unk. Rows M-O.

- (M) Are you aware if any drilling has occurred on this property?
(N) Are you aware if any drilling is planned for this property?
(O) Are you aware if any drilling has occurred or is planned to occur on nearby property?

If the answer is "yes" to any of these items, please explain: _____

Table with 3 columns: Yes, No, Unk. Rows P-6.

- (P) Are you aware of the transfer, sale, and/or lease of any of the following property rights, whether said transfer was by you or a prior Owner of the property?
1. Natural Gas
2. Coal
3. Oil
4. Timber
5. Other minerals or rights such as hunting rights, quarrying rights, or farming rights
6. Have you been approached by an Oil & Gas Company to lease your OGM rights?
If "yes," please provide the name of the company: _____

If the answer is "yes" to any of these items, please explain: _____

Buyer(s) acknowledge their right to investigate any of the rights or issues described within this Seller Disclosure Statement prior to signing or entering into the Agreement of Sale. The Buyer(s) acknowledge they have the option or right to investigate the status of any of the property rights by, among other means, obtaining a title examination of unlimited years, engaging legal counsel, conducting a search of the public records in the County Office of the Recorder of Deeds and elsewhere. Buyer(s) also expressly acknowledge the right to investigate the terms of any existing Leases to determine if the Buyer may be subject to the terms of these Leases. Please explain any "yes" answers in Section 20 above. _____

Seller Initials _____ WPML SELLER DISCLOSURE STATEMENT _____ Buyer Initials _____

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21. COMPLIANCE WITH REAL ESTATE SELLER DISCLOSURE LAW

In Pennsylvania, a Seller is required to satisfy the requirements of the Real Estate Seller Disclosure Law. These requirements are generally described in the notice found on the first page of this document. This law requires the Seller in a residential transfer of real estate to make certain disclosures regarding the property to potential Buyers. The notice is to be provided in a form defined by law and is required before an agreement of sale is signed. The law defines a residential real estate transfer 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 (1) and not more than four (4) residential dwelling units are involved. In transactions involving a condominium, homeowners association, or cooperative, the disclosure is to specifically refer to the Seller's Unit. Disclosure regarding common areas or facilities within such associations are not specifically required in this Disclosure Statement. However, compliance with the requirements that govern the resale of condominium, homeowner association, and cooperative interests is required as defined by the Uniform Condominium Act of Pennsylvania, the Uniform Planned Community Act of Pennsylvania, and/or the Real Estate Cooperative Act as such Act may be amended.

Seller(s) shall attach additional sheets to this Disclosure Statement if additional space is required for their answer to any section herein and these sheets are considered part of this Disclosure Statement. The undersigned Seller(s) represents that the information set forth in this Disclosure Statement is accurate and complete to the best of the Seller's knowledge. The Seller hereby authorizes the Listing Broker to provide this information to prospective Buyers of the Property and to other real estate agents. THE SELLER ALONE IS RESPONSIBLE FOR THE COMPLETION AND ACCURACY OF THE INFORMATION CONTAINED IN THIS STATEMENT. The Broker, Agent, and/or West Penn Multi-List, Inc. are not responsible for the information contained herein. THE SELLER SHALL CAUSE THE BUYER TO BE NOTIFIED IN WRITING OF ANY INFORMATION SUPPLIED ON THIS FORM WHICH IS RENDERED INACCURATE BY A CHANGE IN THE CONDITION OF THE PROPERTY FOLLOWING THE COMPLETION OF THIS FORM. THE SELLER SHALL PROMPTLY NOTIFY THE BUYER OF ANY SUCH CHANGES IN THE CONDITION OF THE PROPERTY.

West Penn Multi-List, Inc. has not participated, in any way, in providing information in this statement. Seller is responsible to complete this form in its entirety. Every Seller signing a Listing Contract must sign this statement.

SELLER _____ DATE _____ Estate of Robert G Murphy

SELLER _____ DATE _____

SELLER _____ DATE _____

EXECUTOR, ADMINISTRATOR, TRUSTEE, COURT APPOINTED GUARDIAN, RECORDED POWER OF ATTORNEY*

The undersigned has never occupied the Property and lacks the personal knowledge necessary to complete this Disclosure Statement.

_____ DATE _____ Robert G Murphy JR

_____ DATE _____ Please indicate capacity/title of person signing and include documentation. Executor

CORPORATE LISTING

The undersigned has never occupied the Property. Any information contained in this Disclosure Statement was obtained from third-party sources and Buyer should satisfy himself or herself as to the condition of the Property.

_____ DATE _____ Please indicate capacity/title of person signing and include documentation.

RECEIPT AND ACKNOWLEDGEMENT BY BUYER

The undersigned Buyer acknowledges receipt of this Disclosure Statement and that the representations made herein have solely been made by the Seller(s). The Buyer acknowledges that this statement is not a warranty and that, unless stated otherwise in the sales contract, the Buyer is purchasing this Property in its present condition. It is the Buyer's responsibility to satisfy himself or herself as to the condition of the Property. The Buyer may request that the Property be inspected, at the Buyer's expense and by qualified professionals, to determine the condition of the structure or its components.

BUYER _____ DATE _____

BUYER _____ DATE _____

BUYER _____ DATE _____

* The undersigned has never occupied the property and lacks personal knowledge necessary to complete this Seller Disclosure. However, in the event that the individual completing this form does have such knowledge necessary to complete the form, this fact should be disclosed and the form completed. Individuals holding a Power of Attorney must complete this document based upon the Principal's knowledge. If the Principal is unable to complete the form, an Addendum should be completed and attached to explain the circumstances. The holder of the Power of Attorney must disclose defects of which they have knowledge.



Consumer Handbook

TO: ALL BUYERS AND SELLERS

PLEASE COMPLETE THIS FORM, THEN TEAR OUT THIS PAGE AND RETURN IT TO THE PERSON WHO GAVE YOU THE HANDBOOK.

I have received the Consumer Handbook which contains:

1. Duties of Licensees
2. Agency Relationship Information
3. Disclosure/Consent to Potential Dual Agency

I agree that any agency contract (Standard Exclusive Listing Contract, Buyer Agency Contract, etc.) that I may enter into with Berkshire Hathaway HomeServices The Preferred Realty incorporates the language contained in this Consumer Handbook. I acknowledge that Berkshire Hathaway HomeServices The Preferred Realty may provide my contact information to partner affiliates in order that I may receive information on real estate related services. I understand that this Handbook has been given to me by

Adrienne Abe Wagner

to help me make informed decisions concerning my real estate transactions and agree to allow the above named person to be my Designated Agent (see page 11) in any agency contract I enter into with Berkshire Hathaway HomeServices The Preferred Realty.

Buyer(s) Seller(s) (Check one)

Name

Estate of Robert G Murphy (Robert JR executor)

Address

723 Baron Lane Champion, PA 15622

Phone

Email

rgm5973@gmail.com

Signature

Date

Signature

Date

THIS IS NOT A CONTRACT

Consumer Handbook

EDITION TWO - JANUARY 2020

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****Capitalized words in this Consumer Handbook generally refer to the Glossary found at the end.**

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Equal Housing Opportunity.

OUR COMPANY MISSION:

To constantly provide legendary service and care at all levels of the real estate experience.

TO: All prospective Sellers and Buyers

Real estate Licensees provide professional services to help meet the needs of the buyer and sellers in the marketplace. When you, the Consumer, as either a buyer, seller, landlord, or tenant conduct business with Berkshire Hathaway HomeServices The Preferred Realty, both you and the company acquire a stake in the success of the other.

As a stakeholder in our organization, you, the Consumer, should be familiar with the role of the Licensee with whom you work. Given the constantly changing marketplace in which we all function and the difference in the nature of services Licensees provide, there is a need for you to understand important representation choices available to you.

The purpose of this Consumer Handbook is to clarify the relationships that can be created between a real estate Licensee and the buyer, seller, landlord, or tenant with whom they work, as well as to provide with other very important information. Our objective is to help you, the Consumer, make an informed decision about the type of service you desire and about the nature of relationships you will create as you complete your transaction.

If you have any questions about the information presented in this handbook, please feel free to discuss them with the Berkshire Hathaway HomeServices The Preferred Realty Licensee who provided this material to you.



Tom Hosack

President/CEO

Berkshire Hathaway HomeServices The Preferred Realty

SPECIAL NOTICES

HOME INSPECTIONS

One of the decisions a buyer will have to make in the preparation of an offer to purchase a home is to have the property evaluated by a home inspector or other qualified professional or not.

It is your responsibility, as buyer, to determine if the condition of the property is satisfactory to you. The real estate Licensees involved in the transaction have not conducted an independent investigation of the condition of the property and, further, are not qualified to render an opinion as to the property's condition.

IT IS, THEREFORE, IMPORTANT THAT YOU CONSIDER HAVING THE PROPERTY INSPECTED BY A QUALIFIED HOME INSPECTOR.

A qualified home inspector is defined in the Pennsylvania Home Inspection Law as a member of a national home inspector's association who inspects multiple systems of a home. Additionally, certain single components of the property may require inspections by other qualified professionals.

Berkshire Hathaway HomeServices The Preferred Realty strongly recommends that you obtain a home inspection along with such specialized inspections you feel are necessary. These may include wood destroying insect (termites, etc.), well, septic and radon, along with other unique aspects of the property. A list of qualified home inspectors will be provided to you.

MEGAN'S LAW

Pennsylvania's Registration of Sexual Offenders Act ("Megan's Law") exempts real estate Licensees from disclosing any information regarding a sexually violent predator. Berkshire Hathaway HomeServices The Preferred Realty and its Licensees strongly recommend that sellers disclose the presence of known sexually violent predators. As a Buyer Agent, if the individual Licensee working with a buyer has such knowledge, it will be disclosed. Berkshire Hathaway HomeServices The Preferred Realty and its Licensees do not research such information and may not be aware of the presence of a sexually violent predators. If you have a particular concern regarding this matter, you should contact the Pennsylvania State Police for more information.

REPRESENTATION OF MULTIPLE CLIENTS

Berkshire Hathaway HomeServices The Preferred Realty, and its Licensees acting as a Buyer Agent, may show the same property to more than one represented Buyer. If more than one represented Buyer desires to purchase the same property, the individual Licensee showing the property to Buyer will act as the Designated Agent of that Buyer. In this situation, Berkshire Hathaway HomeServices The Preferred Realty and its individual Licensees shall take no action that would be detrimental to the other Buyer and will maintain each Buyer's confidentiality. In the event that Berkshire Hathaway HomeServices The Preferred Realty is the Listing Broker, a dual agency is also created for the company. (See Designated Agency, below, for more information.)

UNLISTED PROPERTIES

Berkshire Hathaway HomeServices The Preferred Realty, and its Licensees acting as a Buyer Agent, will submit suitable unlisted properties available for sale (such as FSBO's) THAT ARE KNOWN TO THE BUYER AGENT in order to find an appropriate property for the Buyer. In the event a Buyer is aware of an available but unlisted property in which the Buyer has interest, the Buyer should request that the Buyer Agent obtain information about the unlisted property for the Buyer.

STIGMATIZED PROPERTIES

In a 2014 decision, the Pennsylvania Supreme Court held that ***purely psychological stigmas are not material defects*** of a property that a seller must disclose to a buyer. Purely psychological stigmas include, but are not limited to, the occurrence of a murder, suicide, rape, assault, home invasion, or child abuse on the property.

Neither Berkshire Hathaway HomeServices The Preferred Realty nor its Licensees conduct any independent investigation as to the existence of any purely psychological stigma associated with properties that it lists for sellers or shows to potential buyers.

While it is not required that purely psychological stigmas be disclosed, a buyer, if concerned, may pose questions directly to the seller. When asked, the seller must answer truthfully or indicate their unwillingness to answer the question. It is further recommended that the buyer contact the local police and newspapers to see if there is any information available through public sources.

OIL, GAS AND MINERALS

The surface estate of the property may be owed separately from the underlying oil, gas or mineral, and transfer of the surface might not include transfer of the oil, gas, or minerals. Third parties may own or lease interests in the oil, gas, and/or minerals under the surface, and they may have the right to enter and use the surface to access the oil, gas and/or minerals.

The use of the surface to access the oil, gas or minerals may be restricted by a lease or a surface use agreement, a memorandum or other notice of which may be recorded with the Recorder of Deeds Office in the county where the property is located; though it may also be included in a prior deed conveying or reserving the rights. The oil and gas activity that might occur on or adjacent to a property includes, but is not limited to, surveying, drilling, well completion operations, producing wells, reworking of current wells, storage, productions facilities, holding ponds, pipelines, access roads, and gas gathering and processing facilities.

Neither Berkshire Hathaway HomeServices The Preferred Realty nor its Licensees conduct any independent investigation as to the status of the oil, gas or mineral underlying the properties that it lists for sellers or shows to potential buyers. Further, the seller of a property is not required to conduct any specific inquiry to determine if any rights to the underlying oil, gas or minerals have been previously transferred, but must disclose any transfer of which they have knowledge.

The buyer may make the purchase of the property contingent upon a review of the status of the oil, gas or mineral rights before they are obligated to buy. It is recommended that the review be done by an attorney experienced in oil, gas and mineral issues. The buyer is also encouraged to seek additional information regarding oil and gas activity on or adjacent to a property in which the buyer might be interested, including drilling permit applications, available through the Office of Oil and Gas Management of the Pennsylvania Department of Environmental Protection.

CYBER SECURITY ALERT IN REAL ESTATE TRANSACTIONS

Fraudulent money wiring schemes where cyber thieves send false bank wiring instructions to buyers, sellers, lenders, title companies, and/or real estate agents have increased significantly. The purpose of this notice is to alert you to be on guard to protect yourself from these fraudulent activities.

Before wiring any money, including to the closing company, ***it is your responsibility to*** personally call the person or entity requesting the wired money using an independently verified phone number to confirm the wiring instructions. **Do not trust phone numbers that appear in emails.** Also, do not email any wiring instructions to a lender or closing company without confirming the recipient first.

Part of the scheme the cyber thieves use is to hack an email account of someone involved in the real estate transaction or use email addresses that are deceptively similar to trusted ones to send an email with wiring instructions sending the money directly to the cyber thief's accounts.

In addition, you should refrain from placing any sensitive, personal, or financial information in any unsecured email or email attachment such as bank account numbers, credit card numbers, wiring instructions, social security numbers, and other sensitive, personal data as this could also be stolen.

If you believe you have been the victim of cyber thieves, you must immediately contact your bank and halt or recall any wired money. You should also immediately contact the closing company to advise them of the same as well. Finally, you should contact local and federal (www.ic3.gov) law enforcement authorities to advise them about what has happened.

Again, please exercise extreme caution in providing any wiring instructions or in wiring money. This notice is not intended to provide any legal advice, but simply to alert you of recent reports.

VIDEO AND AUDIO SURVEILLANCE

There are a number of homes which use video and audio surveillance equipment, both inside and outside. While this equipment may provide benefits, such as home security, it can also be used to listen in on the conversations of potential buyers and their real estate agents while in and around the home. This may allow sellers to learn of the potential buyers' negotiation strategies.

As a seller, you may wish to speak with an attorney regarding the legality of recording conversations without notice or the other party's consent. In many states, including Pennsylvania, the lack of notice or the other party's consent may subject you to a criminal action. If you have such equipment, you may wish to prominently display notice of its use and advise your Licensee to note it in the Multiple Listing Service (MLS).

As a potential buyer, because not all of the equipment used in video and audio surveillance is readily observable, when you tour a home, whether there is a notice or not, you should treat it as though there might be video and audio surveillance equipment present. While both inside and outside of the home, you should not discuss such things as the price you are willing to pay, the inspections you wish to make or waive, and the like. These discussions should wait until you have left the property.

Similarly, you should be careful not to disparage the home as this may cause a seller to be unwilling to negotiate with you even if you are interested in purchasing the home.

TAX REASSESSMENTS

Property taxes are calculated upon the market value of a property for the year selected for the most recent county-wide reassessment. This is referred to as the Base Year. For example, for Allegheny County, the Base Year is 2012 while Butler County has a Base Year of 1969. When a countywide reassessment becomes necessary due to the assessments varying from neighborhood to neighborhood and no longer reflecting the actual market value, either the county board of commissioners or the courts will mandate a reassessment of all of the properties in that county. During the reassessment process, the assessments of individual properties may increase or decrease significantly to achieve uniformity across the county. While there may be limits as to how much the total taxes can increase as the result of a reassessment, there are no limits as to how much the individual property's assessment may increase or decrease. This increase or decrease may dramatically affect the taxes for that property.

The sale of an individual property, alone, will not automatically trigger a reassessment by a county board of assessment. However, an individual property may be reassessed when (1) the property is subdivided, (2) a physical change has been made to the property, or (3) the assessment of the property is appealed by either the property owner or the taxing district (county, municipal, or school district).

In purchasing a home, a buyer may wish to inquire of the county board of assessment if a county-wide reassessment is in process or being contemplated. A buyer should also be aware that, if the assessment for the property is low, a taxing body may choose to appeal the assessment after closing which could result in a higher assessment and, therefore, higher taxes. Likewise, if the assessment is high, once you purchase the property, you may wish to appeal the assessment. In both of these cases, it is recommended that you speak with an attorney experienced in real estate assessment appeals.

SERVICES TO BUYER AND SELLER

Berkshire Hathaway HomeServices The Preferred Realty's real estate brokerage services and fees are described in our listing and buyer agency contracts. In addition to those services, our affiliated businesses provide most every type of service needed for the transfer of real estate including mortgage loans offered through West Penn Financial Service Center, Inc.; closings and title insurance through Everest Settlement; and homeowners' Insurance and home warranties through Everest Insurance, LLC. Be sure to ask your Licensee if you wish any additional information.

EXPERTISE OF REAL ESTATE AGENTS

Berkshire Hathaway HomeServices The Preferred Realty and its Licensees are experienced in marketing and selling or leasing residential and commercial real estate. If you need information beyond the Licensee's area of expertise, whether legal, financial or otherwise, you are encouraged to seek the services of an attorney, an accountant, or other appropriate professional.

COMPANY POLICY ON AGENCY

Berkshire Hathaway HomeServices The Preferred Realty, a Pennsylvania licensed real estate Broker, provides real estate services to sellers, buyers, landlords, tenants and other parties involved in real estate transactions (“Consumers”) through its Licensees. In today’s business environment, Consumers have several choices as to the working relationships they can create with Licensees. A guiding principle of our organization is that full and complete Disclosure of the possible relationships, and the informed consent of all Consumers to the selection made, is a necessity in every transaction. All Licensees affiliated with Berkshire Hathaway HomeServices The Preferred Realty subscribe to this philosophy. Therefore, our policy is to make full and complete Disclosure of working relationships available under current law in order for all Consumers to make an informed decision regarding which relationship is most appropriate for their situation.

In order to meet the needs of Consumers and provide the most choices, Berkshire Hathaway HomeServices The Preferred Realty offers a broad range of working relationships. Both Agency and non-Agency Relationships are available to buyers, sellers, tenants, and landlords. The company, however, recommends that all buyers, sellers, tenants, and landlords have an Agency Relationship during a transaction and that no one should go unrepresented. Depending on relationships and circumstances, Berkshire Hathaway HomeServices The Preferred Realty may function as a SINGLE AGENT (representing *only* the buyer or seller), a SUBAGENT, A DISCLOSED DUAL AGENT, or a TRANSACTION Licensee.

In addition, in order to maximize and provide personalized service to individual sellers and buyers, Berkshire Hathaway HomeServices The Preferred Realty practices DESIGNATED AGENCY. Under this concept, Berkshire Hathaway HomeServices The Preferred Realty and the Consumer may designate one or more individual Licensees to represent the interests of the Consumer as their exclusive agent. When a Consumer enters into an Agency Relationship with Berkshire Hathaway HomeServices The Preferred Realty the company will, with the written consent of the Consumer, designate one or more Licensees employed by the company to serve as the agent(s) of the Consumer to the exclusion of all other Licensees employed by the company. When a represented buyer becomes interested in a property owned by a represented seller, the Broker, but generally not the Licensees of the Broker will act as a DISCLOSED DUAL AGENT. Should a Licensee designated to represent the seller and buyer be one and the same, then the Licensee will also act in the capacity of a Disclosed Dual Agent. This working relationship will only be entered into with the written informed consent of all Consumers who have become Principals.

Berkshire Hathaway HomeServices The Preferred Realty will represent Principals and act as their agent only when the Principal has entered into a written Agency Relationship. Except in limited cases, Berkshire Hathaway HomeServices The Preferred Realty will not act as a Transaction Licensee. Transaction Licensee level of service will only be provided when all parties are represented by legal counsel or other Brokers. A written disclosure form and acknowledgment of the Licensee’s duties will be required prior to the Licensee providing services to the Consumer as a Transaction Licensee. A Transaction Licensee is not an agent or advocate for the Consumer and owes no fiduciary duties to the Consumer, and no Agency Relationship exists between the Consumer and the Licensee.

FIDUCIARY DUTIES

A Licensee owes certain duties to their Principal. These are referred to as “fiduciary duties” and may not be modified without the prior written consent of the Principal. A relationship based on fiduciary duties is the highest business or legal relationship recognized by law. An Licensee owes complete allegiance to the Principal and acts as an advocate for the Principal.

THE FOLLOWING FIDUCIARY DUTIES ARE OWED TO CONSUMERS WHO EXECUTE A WRITTEN AGENCY AGREEMENT (LISTING CONTRACT OR BUYER/TENANT AGENCY CONTRACT).

Obligations considered fiduciary duties include the following:

Loyalty: A Licensee must place the Principal’s interest above all others, including their own. An act that breaches loyalty to the Principal, even it is does no harm, is a breach of agency.

Confidentiality: A Licensee must safeguard the lawful confidences of the Principal. Personal information about the Principal or the Principal’s position must be treated with the utmost confidence for the term of the Agency Relationship. Confidentiality must also be preserved after the Agency Relationship has terminated. The duty of confidentiality to the Principal does not permit the Licensee to conceal or misrepresent a material defect in the property.

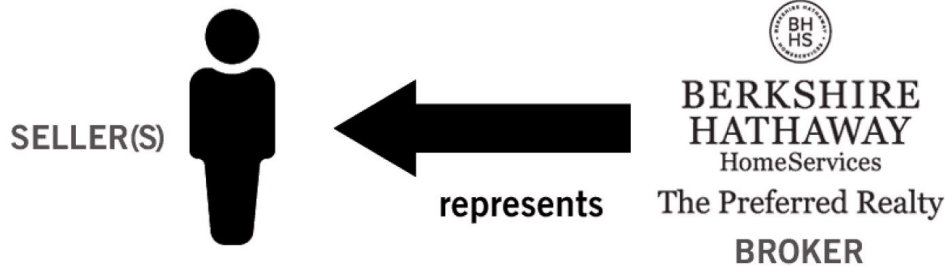
Disclosure: A Licensee is obligated to disclose to the Principal all known relevant information that is critical to the Principal’s interest and ability to make an informed decision.

Reasonable care and diligence: A Licensee is obligated to use reasonable care and diligence in pursuing the Principal’s affairs. The Licensee has knowledge and skill that the Principal expects to be used in their best interest.

Obedience: A Licensee is obligated to obey promptly and efficiently all lawful instructions of the Principal. The Licensee has no obligation to violate federal, state, or local laws. For example, the Licensee cannot conceal or misrepresent facts, even if unfavorable, about the physical condition of the property or cannot violate the fair housing laws.

Accounting: A Licensee is obligated to account of all money or property held on behalf of the Principal. The law is specific about the Licensee’s responsibility for handling escrow funds and escrow accounts.

SELLER AGENT (WORKS FOR THE SELLER)



Definition:

Any Licensee who has entered into an Agency Relationship with a seller of real estate. The Seller Agent is the licensed Broker who enters into a listing contract with a seller of property, as well as all Licensees affiliated with the Broker. *NOTE: If designated agency applies, this definition will be modified (see page 11).*

Services:

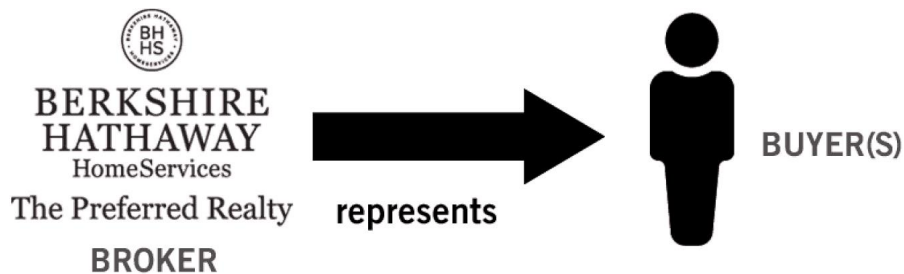
- A Seller Agent serves as an advocate of the seller and owes the seller full fiduciary duties, including the following:
 - Loyalty
 - Confidentiality
 - Disclosure
 - Reasonable Care and Diligence
 - Obedience
 - Accounting
- Helps the seller market and sell his property.
- Advises the seller about property values.
- Advises the seller about positions to take in negotiations.
- Must be honest with buyers and disclose all information concerning the property required by law.
- Discloses any information known about buyers' motivation, urgency and other facts unless the information is confidential based on prior or current Agency Relationship with buyer.

Compensation:

Compensation of Seller Agent is determined by the terms of a written listing contract between the seller and the licensed Broker representing the seller.

A buyer should not tell a Seller Agent anything the buyer would not want the seller to know, because the Seller Agent must disclose to the seller any material information they know about the buyer.

BUYER AGENT (WORKS FOR THE BUYER)



Definition:

Any Licensee who has entered into an Agency Relationship with buyer of real estate. The Buyer Agent is the licensed Broker who enters into a written buyer agency contract with a buyer prospect as well as all Licensee affiliated with the Broker. *NOTE: If designated agency applies, this definition will be modified (see page 11).*

Services:

- A Buyer Agent serves as an advocate of the buyer and owes the buyer full fiduciary duties, including the following:
 - Loyalty
 - Confidentiality
 - Disclosure
 - Reasonable Care and Diligence
 - Obedience
 - Accounting
- Consults with and advises buyer of the market, available properties, financing, property values and other matters.
- Advises buyer as to negotiation strategies.
- Disclosed any information known about the seller's motivation, urgency and other facts and property's sale history unless it is confidential based on prior or current Agency Relationship with the seller.
- Must treat seller honestly.

Compensation:

Compensation of Buyer Agent is determined by the terms of a written buyer agency contract between the buyer and the licensed Broker representing the buyer.

A seller should not tell a Buyer Agent anything the seller would not want the buyer to know, because a Buyer Agent must disclose to the buyer any material information they know about the seller.

DUAL AGENT (WORKS FOR THE BUYER AND SELLER)



Definition:

A Licensee who acts as an agent for the buyer and seller in the same transaction. The Dual Agent is the licensed Broker and all Licensees affiliated with the Broker who by written agreement represent all parties in the same transaction. *NOTE: If designates agency applies, this definition will be modified (see page 11).* A Licensee may act as a Dual Agent only with the informed written consent of all Principals following Disclosure given at the Initial Interview.

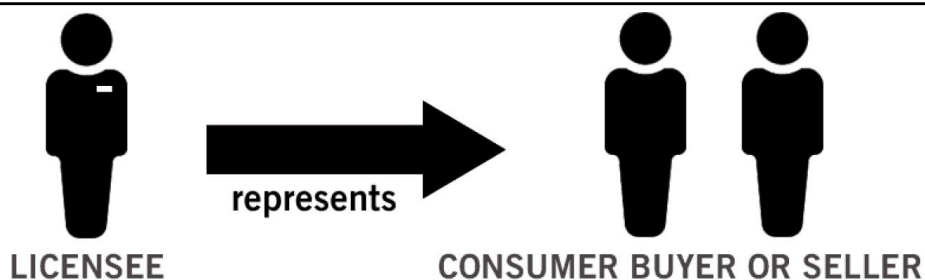
Services:

- The Dual Agent represents the interests of all parties to the transaction but each party must agree to modify the fiduciary duties an agent owes the principal.
- Agent shall take no action that is adverse or detrimental to either party's interest in the transaction.
- Agent shall maintain the duty of confidentiality to all buyers and sellers by not divulging information confidential to either party, except information about the physical condition of the property (which must always be properly disclosed) and the financial qualifications of buyer to purchase the property to the extent necessary to complete the transaction and/or obtain a mortgage.
- Agent shall answer all questions honestly, but shall refuse to answer questions that might violate the mutual duty of confidentiality unless mutually agreed to by all parties.
- Agent shall assist all parties in complying with the terms and conditions necessary to complete settlement.
- Agent shall disclose to all parties any fees received relating to the transaction.

Compensation:

May be compensated by the buyer or seller or, with full Disclosure, a combination of the two.

DESIGNATED AGENT



Definition:

One or more Licensee designated by the employing Broker with the consent of the Principal to act exclusively as an agent or agents on behalf of the Principal to the exclusion of all other Licensees within the Broker's employ. Only the Broker and the Designated Agents will represent the Principal. No other Licensees affiliated with the Broker will represent, be agents of, or owe fiduciary duties to the Principal if Designated Agency is the relationship agreed to by the parties. The designation may take place at the time the parties enter into a written agreement, but may occur at a later time.

Services:

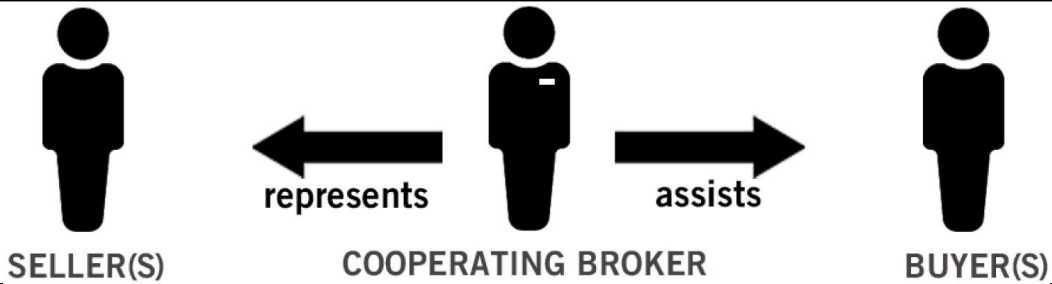
The Designated Agent shall have the duties to either the seller or buyer as discussed previously under "Seller Agent" or "Buyer Agent" depending on the party the Licensee is representing in the transaction.

A Broker who represents both the seller and buyer in the same transaction is a Dual Agent. As a Dual Agent, the Broker will have the additional duties to take reasonable care to protect any confidential information disclosed to the Designated Agent. The Broker has the responsibility to direct and supervise the business activities of the designates Licensees who represent the seller or buyer, while taking no action that is adverse or detrimental to either parties' interest in the transaction. When the Designated Agent is the same for both the buyer and the seller in a transaction, the Designated Agent must act as a Dual Agent. **In this case, the Salesperson or Associate Broker can no longer be known or act as a Designated Agent, but must become a disclosed Dual Agent.**

Compensation:

Designated Agents may receive compensation only from their employing Broker, and never directly from the Principal.

SUBAGENT (WORKS FOR THE SELLER)



Definition:

A cooperating Broker who is engaged to act on behalf of the listing Broker in selling property as an agent of the seller. A Subagent is deemed to have an Agency Relationship with the seller. **THE BUYER IS NOT REPRESENTED.** Subagency may not always be offered by the seller.

Services:

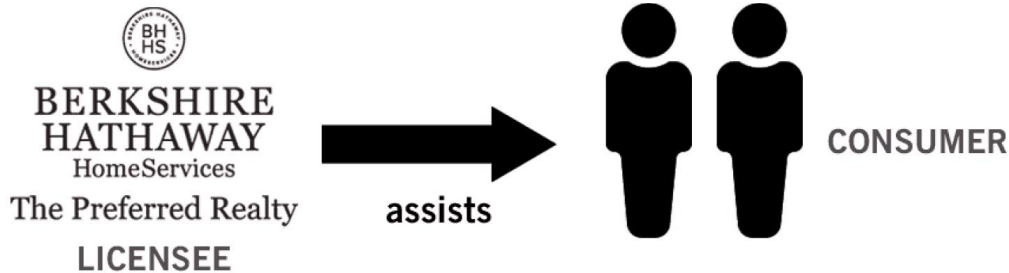
- Owes seller all fiduciary duties:
 - Loyalty
 - Confidentiality
 - Disclosure
 - Reasonable Care and Diligence
 - Obedience
 - Accounting
- Assists the buyer by providing market or financing information.
- Assists the buyer in locating suitable property.
- Assists the buyer in preparing an offer.
- Will not provide opinions or advice to buyer.
- Must treat buyer honestly and disclose all information concerning the property required by law. Does not act as advocate for the buyer.

Compensation:

Is compensated through the listing Broker according to the terms agreed upon.

A buyer should not disclose to a cooperating Broker or its Licensees acting as a Subagent any information they do not want the seller to know, because the Subagent must disclose to the seller any material information the Subagent knows.

TRANSACTION Licensee



Definition:

A Licensees who provides communication or document preparation services or performs other real estate services for which a license is required **WITHOUT BEING AN AGENT OR ADVOCATE OF THE CONSUMER.**

Services:

By design, Transaction Licensees have extremely limited duties with limited service being provided to the Consumer. Licensees and Consumers should be aware of the limitations before selecting this working relationship. This relationship is not likely to be the appropriate choice for Consumers in most residential transactions. Consumers derive greater benefit when their interests are protected by agency representation agreements with Licensees.

In addition to the duties generally required of all Licensees as set forth on pages 15 and 16, the duties of a Transaction Licensee also include the following:

To inform the Consumer to be assisted that Licensee is not acting as an agent or advocate of the Consumer and should not be provided with confidential information.

To provide limited confidentiality. A Licensee shall not disclose information that the seller will accept a price less than the asking price or listed price, or that the buyer will pay a price greater than the price submitted in a written offer or that a seller or buyer will agree to financing terms other than those offered.

Compensation:

Transaction Licensee compensation will be determined by written agreement between the Consumer and the Broker.

DISCLOSURE OF POTENTIAL DUAL AGENCY

The Following Shall Apply To Previously Described Relationships That Involve Dual Agency:

Seller Agency: When a seller lists real property with Broker, Broker and Designated Agent(s), without breaching the fiduciary duties to seller, shall treat buyer honestly and disclose to buyer all defects of a material nature affecting the physical condition of the property that are known. Broker and Designated Agent(s) cannot, without seller's prior written consent, modify the fiduciary duties owed to seller.

Buyer Agency: When a buyer engages Broker to locate real property and enters into a Buyer Agency Contract, fiduciary duties are directed to buyer. Broker and Designated Agent(s) cannot, without buyer's prior written consent, modify the fiduciary duties owed to buyer.

Dual and Designated Agency: The Broker, with consent of the Principal, may designate a Licensee or Licensees to act as the sole and exclusive representative of the Principal, to the exclusion of all other Licensees affiliated with the Broker. When a represented buyer desires to purchase property owned by a represented seller, the Broker must be a Disclosed Dual Agent. If the Licensee named as a Designated Agent represents the interests of both the buyer and seller in the same transaction, the Licensee will act as a Disclosed Dual Agent and not as a Designated Agent of either party.

Conflict of Interest: Principal acknowledges that a buyer who is represented by a Licensee may seek to purchase property of a seller who is also represented that same Licensee. In such a transaction, fiduciary duties are owed to both seller and buyer at the same time. These duties may be preserved or eliminated to the extent desired by the Principals after a full disclosure to the Principals of all the factors in and consequences of a dual agency. In order for the Broker to assist all Principals, the parties must consent in writing to allow the Broker to act as a Limited Dual Agent.

Principal acknowledges that it is the intent of the parties to modify any Contract (either the Listing Contract or Buyer Agency Contract) between Principal and Broker to accommodate a Limited Dual Agency Relationship the following language will be incorporated into the Contract:

Limited Dual Agency Modification: Principal and Broker agree that in transactions where the Broker is representing all parties, the laws of agency should only apply as modified herein. Broker shall continue to represent both seller and buyer as a Limited Dual Agent for the transaction. The following shall be the duties, obligations and agreement between the Principal and the Broker, and if applicable, the Designated Agent acting as a Limited Dual Agent:

1. Maintain the duty of confidentiality to all Principals by not divulging information confidential to either party, except information about the physical condition of the property (which must always be properly disclosed) and the financial qualifications of buyer to the extent necessary to complete the transaction and/or obtain a mortgage loan.
2. Answer all questions honestly, but refuse to answer questions that might violate the mutual duty of confidentiality.
3. Assist all parties in complying with the terms and conditions necessary to complete settlement.
4. Accept no undisclosed compensation from any party. Broker shall disclose to all parties any fees received relating to the transaction. Fees are negotiable and have been agreed to contractually between the parties.
5. Take no action that is adverse or detrimental to either party's interest in the transaction.

DUTIES OF LICENSEES

The PENNSYLVANIA REAL ESTATE LICENSE AND REGISTRATION ACT imposes certain duties of all Licensees. A Licensee owes to all Consumers to whom the Licensee renders real estate services the following duties which may not be waived:

1. To exercise reasonable professional skill and care.
2. To deal honestly and in good faith.
3. To present all written offers, written notices and other written communications to and from parties to a real estate transaction in a timely manner.
4. To comply with the obligations imposed upon a Licensee by the Real Estate Seller Disclosure Act.
5. To account in a timely manner for all money and property received from or on behalf of any Consumer.
6. To provide the consumer with the Real Estate Commission adopted "CONSUMER NOTICE" at the initial interview.
7. To timely disclose to the consumer any conflicts of interest.
8. To advise the Consumer to seek expert advice on matters relating to the transaction that are beyond the Licensee's expertise.
9. To ensure that all services are provided in a reasonable, professional and competent manner.
10. To advise the consumer regarding the status of the transaction.
11. To advise the Consumer of tasks that must be completed to satisfy an agreement or condition for settlement, provide assistance with document preparation, and advise the Consumer regarding compliance with laws pertaining to real estate transaction.
12. To present all offers and counter offers in a timely manner.
13. To provide Disclosure regarding any financial interest the Licensee or any affiliated Licensee may have in any service to be provided to the Consumer by any other person.

In addition to the specific duties listed in the Duties of Licensees, our commitment to uphold the law, the REALTOR® Code of Ethics, our internal code of conduct and our personal commitment to provide legendary service causes us to make the following additional Disclosures:

- Although we are not experts in certain fields relating to the purchase and sale of real estate and do not hold ourselves out as such, we will assist you, if you request, in finding professionals involved in specialized fields involving matters that may be of concern to you.
- Brokerage fees and the duration of listing agreements or buyer/tenant agency contracts are established as a result of negotiation and mutual agreement of the parties involved in the transaction in accordance with company policy.
- The Pennsylvania Real Estate Commission maintains a Real Estate Recovery Fund for the protection of the public. Details about the fund can be obtained by calling the Real Estate Commission at (717) 783-3658.
- For the protection of all parties, Berkshire Hathaway HomeServices The Preferred Realty strongly encourages agency representation of Consumers. Written agency agreements (listing agreements and buyer agency contracts) clearly spell out the duties, obligations, and rights of all parties and allow the company to provide the highest level of service to the Consumer.
- Berkshire Hathaway HomeServices The Preferred Realty is fully committed to all federal, state, and local fair housing laws and provides nondiscriminatory service to all Consumers regardless of race, color, religion, national origin, sex, familial status, handicap, age, ancestry, disability or sexual orientation.

GLOSSARY

Agency Relationship: A relationship whereby the Broker or Licensees in the employ of the Broker act as fiduciaries for a Consumer of real estate services by the express authority of the Consumer of real estate services.

Broker: Any person who, for another and for a fee, commission or other valuable consideration:

- negotiates with or aids any person in locating or obtaining for purchase, lease or an acquisition of interest in any real estate;
- negotiates the listing, sale, purchase, exchange, lease, time share and similarly designated interests, financing or option for any real estate;
- manages any real estate;
- represents themselves to be a real estate consultant, counsellor, agent or finder;
- undertakes to promote the sale, exchange, purchase or rental of real estate: Provided, however, that this provision shall not include any person whose main business is that of advertising, promotion or public relations;
- undertakes to perform a comparative market analysis; or
- attempts to perform any of the above acts.

Buyer agent: Any Licensee who has entered into an Agency Relationship with a Consumer buyer/tenant of real estate. The Buyer Agent is the licensed Broker who enters into a written buyer agency contract with a buyer/tenant prospect as well as all Licensees affiliated with the Broker. NOTE: If designated agency applies, this definition will be modified (see page 11).

Consumer: An individual or entity who is the recipient of any real estate service.

Designated agent: One or more Licensees designated by the employing Broker with the consent of the Principal to act exclusively as an agent or as agents on behalf of the Principal to the exclusion of all other Licensees within the Broker's employ.

Disclosure: Provision of all known relevant facts without reservation, ambiguity or distortion so as to enable a Consumer to understand the options and weigh the risks and benefits in order to make an informed decision in their own best interest.

GLOSSARY

Initial Interview: The first substantive discussion between a Licensee and a Consumer involving personal/business or financial needs and motivations of the Consumer.

Licensee: The Broker, Associate Broker, or Salesperson licensed by the Commonwealth of Pennsylvania's Real Estate Commission to represent others in real estate transactions. Collectively referred to as "Licensees".

Principal: A Consumer of real estate services who has entered into an Agency Relationship with a Broker.

Salesperson: Any person employed by a licensed real estate Broker to perform comparative market analyses or to list for sale, sell or offer for sale, to buy or offer to buy or to negotiate the purchase or sale or exchange of real estate or to negotiate a loan on real estate or to lease or rent or offer to lease, rent or place for rent any real estate or collect or offer or attempt to collect rent for the use of real estate for or in behalf of such real estate Broker. No person employed by a Broker to perform duties other than those activities as defined herein under "Broker" shall be required to be licensed as a Salesperson.

Seller Agent: Any Licensee who has entered into an Agency Relationship with a Consumer seller/landlord of real estate. The Seller Agent is the licensed Broker who enters into a listing contract with a seller/landlord of property, as well as all Licensees affiliated with the Broker. NOTE: If designated agency applies, this definition will be modified (see page 11).

Subagent: A Broker, not in the employ of the listing Broker, who is engaged to act for or cooperate with the listing Broker in selling property as an agent of the seller. A Subagent is deemed to have an Agency Relationship with the seller.

Transaction Licensee: A Licensee who provides communication or document preparation services or performs acts described under the definition of Broker or Salesperson for which a license is required, without being an agent or advocate of the Consumer.



BERKSHIRE HATHAWAY

HomeServices

The Preferred Realty

CONSUMER HANDBOOK
EDITION THREE - JANUARY 2020

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