

SELLER'S PROPERTY CONDITION DISCLOSURE STATEMENT

(This disclosure shall be completed by the seller. This is a disclosure required by law. If you do not understand this form, seek legal advice.)

Seller Arthur & David Atchey Property Address 119 Prospect

This Disclosure Statement concerns the real property identified above situated in the City of Vermillion
County of Clay, State of South Dakota.

THIS STATEMENT IS A DISCLOSURE OF THE CONDITION OF THE ABOVE DESCRIBED PROPERTY IN COMPLIANCE WITH § 43-4-38. IT IS NOT A WARRANTY OF ANY KIND BY THE SELLER OR ANY AGENT REPRESENTING ANY PARTY IN THIS TRANSACTION AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PARTIES MAY WISH TO OBTAIN.

Seller hereby authorizes any agent representing any party in this transaction to provide a copy of this statement to any person or entity in connection with any actual or anticipated sale of the property.

IF ANY MATERIAL FACT CHANGES BEFORE CONVEYANCE OF TITLE TO THIS PROPERTY, THE SELLER MUST DISCLOSE SUCH MATERIAL FACT WITH A WRITTEN AMENDMENT TO THIS DISCLOSURE STATEMENT.

I. LOT OR TITLE INFORMATION

1. When did you purchase or build the home? January 2008

If the answer is yes to any of the following, please explain under additional comments or on an attached separate sheet.

2. Were there any title problems when you purchased the property? Yes ___ No

3. Are there any recorded liens or financial instruments against the property, other than a first mortgage?
Yes ___ No

4. Are there any unrecorded liens or financial instruments against the property, other than a first mortgage; or have any materials or services been provided in the past one hundred twenty days that would create a lien against the property under chapter 44-9?
Yes ___ No Unknown ___

5. Are there any easements which have been granted in connection with the property (other than normal utility easements for public water and sewer, gas and electric service, telephone service, cable television service, drainage, and sidewalks)? Yes ___ No Unknown

6. Are there any problems related to establishing the lot lines/boundaries? Yes ___ No ___ Unknown

7. Do you have a location survey in your possession or a copy of the recorded plat? If yes, attach a copy.
Yes ___ No ___ Unknown

8. Are you aware of any encroachments or shared features, from or on adjoining property (i.e. fences, driveway, sheds, outbuildings, or other improvements)? Yes ___ No

9. Are you aware of any covenants or restrictions affecting the use of the property in accordance with local law? If yes, attach a copy of the covenants and restrictions. Yes ___ No

10. Are you aware of any current or pending litigation, foreclosure, zoning, building code or restrictive covenant violation notices, mechanic's liens, judgments, special assessments, zoning changes, or changes that could affect your property? Yes ___ No

11. Is the property currently occupied by the owner? Yes ___ No

12. Does the property currently receive the owner occupied tax reduction pursuant to SDCL 10-13-39?
Yes ___ No

13. Is the property currently part of a property tax freeze for any reason? Yes ___ No Unknown ___

14. Is the property leased? Yes No ___

15. If leased, does the property use comply with local zoning laws? Yes No ___

16. Does this property or any portion of this property receive rent? Yes No
 If yes, how much \$4650 and how often monthly
17. Do you pay any mandatory fees or special assessments to a homeowners' or condominium association?
 Yes No
 If yes, what are the fees or assessments? \$ per (i.e. annually, semi-annually, monthly)
 Payable to whom: For what purpose?
18. Are you aware if the property has ever had standing-water in either the front, rear, or side yard more than forty-eight hours after heavy rain? Yes No
19. Is the property located in or near a flood plain? Yes No Unknown
20. Are wetlands located upon any part of the property? Yes No Unknown

II. STRUCTURAL INFORMATION

If the answer is yes to any of the following, please explain under additional comments or on an attached separate sheet.

1. Are you aware of any water penetration problems in the walls, windows, doors, basement, or crawl space?
 Yes No
2. What water damage related repairs, if any, have been made? none
 If any, when?
3. Are you aware if drain tile is installed on the property? Yes No
4. Are you aware of any interior cracked walls or floors, or cracks or defects in exterior driveways, sidewalks, patios, or other hard surface areas? Yes No
 What related repairs, if any, have been made?
5. Are you aware of any roof leakage, past or present? Yes No
 Type of roof covering: asphalt Age: not sure
 What roof repairs, if any, have been made, when and by whom? none
- Describe any existing unrepaired damage to the roof: none
6. Are you aware of insulation in:
 the ceiling/attic? Yes No the walls? Yes No the floors? Yes No
7. Are you aware of any pest infestation or damage, either past or present? Yes No
8. Are you aware of the property having been treated for any pest infestation or damage?
 Yes No If yes, who treated it and when?
9. Are you aware of any work upon the property which required a building, plumbing, electrical, or any other permit? Yes No If yes, describe the work:
 Was a permit obtained? Yes No Was the work approved by an inspector? Yes No
10. Are you aware of any past or present damage to the property (i.e. fire, smoke, wind, floods, hail, or snow)?
 Yes No If yes, describe
 Have any insurance claims been made? Yes No Unknown
 Was an insurance payment received? Yes No Unknown
 Has the damage been repaired? Yes No If yes, describe in detail:
11. Are you aware of any problems with sewer blockage or backup, past or present? Yes No
12. Are you aware of any drainage, leakage, or runoff from any sewer, septic tank, storage tank, or drain on the property into any adjoining lake, stream, or waterway? Yes No If yes, describe in detail:

III. SYSTEMS/UTILITIES INFORMATION

	None/Not Included	Working	Not Working
1. 220 Volt Service		✓	
2. Air Exchanger	✓		
3. Air Purifier	✓		
4. Attic Fan	✓		
5. Burglar Alarm & Security System	✓		
6. Ceiling Fan		✓	
7. Central Air - Electric	✓		
8. Central Air - Water Cooled	✓		
9. Cistem	✓		
10. Dishwasher		✓	
11. Disposal	✓		
12. Doorbell	✓		
13. Fireplace			
14. Fireplace Insert	✓		
15. Garage Door/Opener Control(s)		✓	
16. Garage Wiring		✓	
17. Heating System		✓	
18. Hot Tub, Whirlpool, and Controls	✓		
19. Humidifier	✓		
20. Intercom	✓		
21. Light Fixtures		✓	
22. Microwave/Hood	✓		
23. Plumbing and Fixtures		✓	
24. Pool and Equipment	✓		
25. Propane Tank	✓		
26. Radon System	✓		
27. Sauna	✓		
28. Septic/Leaching Field	✓		
29. Sewer Systems/Drains		✓	
30. Smoke/Fire Alarm		✓	
31. Solar House - Heating	✓		
32. Sump Pump(s)	✓		
33. Switches and Outlets		✓	
34. Underground Sprinkler and Heads	✓		
35. Vent Fan	✓		
36. Water Heater - Electric or Gas		✓	
37. Water Purifier	✓		
38. Water Softener - Leased or Owned	✓		
39. Well and Pump	✓		
40. Wood Burning Stove	✓		

dumper may need adjustment

IV. HAZARDOUS CONDITIONS

Are you aware of any existing hazardous conditions of the property and are you aware of any tests having been performed?

	Existing Conditions		Tests Performed	
	Yes	No	Yes	No
1. Methane Gas		✓		
2. Lead Paint		✓		
3. Radon Gas (House)		✓		
4. Radon Gas (Well)		✓		
5. Radioactive Materials		✓		
6. Landfill, Mineshaft		✓		
7. Expansive Soil		✓		
8. Mold		✓		
9. Toxic Materials		✓		
10. Urea Formaldehyde Foam Insulations		✓		
11. Asbestos Insulation		✓		
12. Buried Fuel Tanks		✓		
13. Chemical Storage Tanks		✓		
14. Fire Retardant Treated Plywood		✓		
15. Production of Methamphetamines		✓		

If the answer is yes to any of the questions above, please explain in additional comments or on an attached separate sheet.

V. MISCELLANEOUS INFORMATION

- 1. Is the street or road located at the end of the driveway to the property public or private?
Public Private
- 2. Is there a written road maintenance agreement? Yes No
If yes, attach a copy of the maintenance agreement.
- 3. When was the fireplace/wood stove/chimney flue last cleaned? unknown
- 4. Within the previous twelve months prior to signing this document, are you aware of any of the following occurring on the subject property?
 - a. A human death by homicide or suicide? Yes No
If yes, explain: _____
 - b. Other felony committed against the property or a person on the property? Yes No
If yes, explain: _____
- 5. Is the water source (select one) public or private?
- 6. If private, what is the date and result of the last water test? _____
- 7. Is the sewer system (select one) public or private?
- 8. If private, what is the date of the last time the septic tank was pumped? _____
- 9. Are there broken window panes or seals? Yes No
If yes, specify: _____
- 10. Are there any items attached to the property that will not be left, such as: towel bars, mirrors, swag lamps and hooks, curtain rods, window coverings, light fixtures, clothes lines, swing sets, storage sheds, ceiling fans, basketball hoops, mail boxes, etc. Yes No
If yes, please list _____
- 11. Are you aware of any other material facts or problems that have not been disclosed on this form?
Yes No If yes, explain: _____

VI. ADDITIONAL COMMENTS (ATTACH ADDITIONAL PAGES IF NECESSARY)

CLOSING SECTION

The Seller hereby certifies that the information contained herein is true and correct to the best of the Seller's information, knowledge, and belief as of the date of the Seller's signature below. If any of these conditions change before conveyance of title to this property, the change will be disclosed in a written amendment to this disclosure statement.

[Signature] 1/19/09
Seller Date Seller Date

THE SELLER AND THE BUYER MAY WISH TO OBTAIN PROFESSIONAL ADVICE AND INSPECTIONS OF THE PROPERTY TO OBTAIN A TRUE REPORT AS TO THE CONDITION OF THE PROPERTY AND TO PROVIDE FOR APPROPRIATE PROVISIONS IN ANY CONTRACT OF SALE AS NEGOTIATED BETWEEN THE SELLER AND THE BUYER WITH RESPECT TO SUCH PROFESSIONAL ADVICE AND INSPECTIONS.

I/We acknowledge receipt of a copy of this statement on the date appearing beside my/our signature(s) below. Any agent representing any party to this transaction makes no representations and is not responsible for any conditions existing in the property.

Buyer Date Buyer Date