

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 Jay and Alicia Culbertson Property Address 216/218 W. Cedar St. Vermillion
SD 57069

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? Sept. '05
- 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 \$ ___ and how often ___?

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? ___
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 shingles Age: unknown
What roof repairs, if any, have been made, when and by whom? ___

Describe any existing unrepaired damage to the roof: ___

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		X	
2. Air Exchanger			
3. Air Purifier	X		
4. Attic Fan	X		
5. Burglar Alarm & Security System	X		
6. Ceiling Fan	X		
7. Central Air - Electric	X		
8. Central Air - Water Cooled		X	
9. Cistern	X		
10. Dishwasher	X		
11. Disposal	X		
12. Doorbell	X		
13. Fireplace	X		
14. Fireplace Insert	X		
15. Garage Door/Opener Control(s)	X		
16. Garage Wiring	X		
17. Heating System	X		
18. Hot Tub, Whirlpool, and Controls		X	
19. Humidifier	X		
20. Intercom	X		
21. Light Fixtures	X		
22. Microwave/Hood	X	X	
23. Plumbing and Fixtures	X		
24. Pool and Equipment		X	
25. Propane Tank	X		
26. Radon System	X		
27. Sauna	X		
28. Septic/Leaching Field	X		
29. Sewer Systems/Drains	X		
30. Smoke/Fire Alarm		X	
31. Solar House - Heating	X		
32. Sump Pump(s)	X		
33. Switches and Outlets	X		
34. Underground Sprinkler and Heads	X	X	
35. Vent Fan	X		
36. Water Heater - Electric or Gas	X		
37. Water Purifier		X	
38. Water Softener - Leased or Owned	X		
39. Well and Pump	X		
40. Wood Burning Stove	X		

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		X		X
3. Radon Gas (House)		X		X
4. Radon Gas (Well)		X		X
5. Radioactive Materials	N/A			N/A
6. Landfill, Mineshaft		X		X
7. Expansive Soil		X		X
8. Mold		X		X
9. Toxic Materials		X		X
10. Urea Formaldehyde Foam Insulations		X		X
11. Asbestos Insulation		X		X
12. Buried Fuel Tanks		X		X
13. Chemical Storage Tanks		X		X
14. Fire Retardant Treated Plywood		X		X
15. Production of Methamphetamines		X		X

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? N/A
- 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, swing 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.

	<u>8-12-08</u>		<u>8-12-08</u>
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

Lead Paint Disclosure -- Housing Sales

Disclosure of Information on Lead-Based Paint and Lead-Based Paint Hazards

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

SELLER'S DISCLOSURE (initial)

(a) Presence of lead-based paint and/or lead-based paint hazards (check one below):

Known lead-based paint and/or lead-based paint hazards are present in the housing (explain):

Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the Seller (check one below):

Seller has provided the Purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below):

Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

PURCHASER'S ACKNOWLEDGMENT (initial)

(c) Purchaser has received copies of all information listed above.

(d) Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home*.

(e) Purchaser has (check one below):

Received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead based paint hazards; or

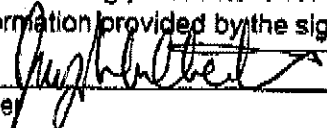

Waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

AGENT'S ACKNOWLEDGMENT (initial)

(f) Agent has informed the Seller of the Seller's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

CERTIFICATION OF ACCURACY

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information provided by the signatory is true and accurate:

Seller		8-12-08 2PM	Seller		8-12-08 2PM
Agent			Agent		
Purchaser			Purchaser		