

# CONSUMER DISCLOSURES



Towne Realty

**In addition to the disclosures contained in the contract of purchase, the following information is made available to the Purchasers and Sellers. Any of the following disclosures may have an effect upon the Purchaser's use and/or enjoyment of a property. Neither Seller, Listing Firm, Selling Firm, nor their Employees or Agents will be held responsible for Purchaser's failure to have investigated and evaluated the impact of any of these disclosures.**

1. **SQUARE FOOTAGE:** Prudential Towne Realty does not guarantee the accuracy of square footage, lot size or other information concerning the condition or features of property provided by the seller or obtained from public records or other sources, and the buyer is advised to independently verify the accuracy of that information through personal inspection and with appropriate professionals.
2. **LIMITATION OF EXPERTISE:** Purchaser and Seller acknowledge that Prudential Towne Realty is being retained solely as a real estate agent and not as an attorney, tax advisor, lender, appraiser, surveyor, structural engineer, certified home inspector, or other professional service provider. Purchaser and Seller are advised to seek professional advice for any of the aforementioned professional services. Prudential Towne Realty is not responsible for, and shall be held harmless from, investigating matters outside the scope of its license.
3. **ASSISTANCE WITH SERVICE PROVIDERS:** The Purchaser/Seller has the right to choose the service provider. The real estate licensee working with Purchaser/Seller may assist by providing names of service providers for the Purchaser's/Seller's consideration. Using real estate licensee's providers does not warrant the work of service provider. Purchaser/Seller is advised to satisfy his/her self as to the quality of the work.
4. **SOIL & DRAINAGE:** Certain soils in our market area have been identified as having high concentrations of certain marine clays. These soils are often referred to as "shrink/swell" or "expansive" soils and can cause foundation damage. Some areas in the market have also been identified as having drainage problems after heavy rains. It is recommended that Purchaser investigate these matters with local authorities or "experts" to determine whether the property is adversely affected by these or related conditions.
5. **POLYBUTYLENE PIPES:** Purchaser may want to determine whether polybutylene pipes exist in the property. Polybutylene plumbing has been used in residences as an alternative to copper plumbing and has been known to fail. You are advised to investigate to determine whether or not polybutylene pipes exist in the property in which you are interested.
6. **WATER/SEWER USE REGULATIONS:** Some municipalities have emergency water management programs that may be enacted at certain times. Also, some municipalities and/or lenders may require hook-up to public water and/or sewer if available, or when it becomes available. Purchaser may also wish to investigate the quality of water supplied by the municipality in which the Purchaser intends to locate. Information related to water quality may be obtained by contacting the municipality directly.
7. **GRINDER PUMP USE:** A grinder pump may service certain homes allowing waste water to be pumped to a higher elevation. Purchasers are strongly advised to determine whether or not the property they are contemplating purchasing is serviced by a grinder pump. If the contemplated property is serviced by a grinder pump, the purchaser should contact the jurisdiction's service authority to determine the costs and responsibilities of maintaining and servicing said grinder pump.
8. **SEPTIC TANK LAW:** Some home sellers may have to disclose information about their current septic systems. When a seller has received or applied for a Board of Health waiver from current septic system requirements for the property, the seller must disclose that a waiver is in effect and that the waiver is null and void upon the sale of the property. Purchasers are advised to contact the appropriate jurisdiction to find further information regarding septic tanks.
9. **SPECIAL FLOOD HAZARD AREA (SFHA) DETERMINATION:** Individual and business owners can protect themselves from flood losses by purchasing flood insurance from most insurance companies, the premiums of which are regulated through FEMA's National Flood Insurance Program (NFIP). Typical homeowner's insurance policies do not contain flood hazard coverage. To assess whether or not a property is located in a SFHA, the mortgage lender will order a flood certification letter. If a property is within a SFHA, an Elevation Certificate will be required as part of the survey. If a property is within the boundaries of certain elevations zones, mandatory flood insurance purchase requirements apply. Although flood insurance is not required by FEMA for properties just outside of these certain zones, flood insurance may be required by some lenders or a purchaser may elect to purchase it on their own. For some Purchasers the additional cost of the elevation certificate and monthly flood insurance premium could affect the Purchaser's qualification.



PRUDENTIAL TOWNE REALTY IS AN AFFILIATE OF TOWNE BANK AND IS AN INDEPENDENTLY OWNED AND OPERATED MEMBER OF PRUDENTIAL REAL ESTATE AFFILIATES, INC.

FORM # PRU — W — 32C  
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Prudential Towne Realty - New Town 4135 Ironbound Rd Williamsburg, VA 23188  
Phone: 757-345-3898 Fax: 757-229-7227 Gary Travis

Buyer's Template

**CONSUMER DISCLOSURES** *(continued)*

10. **TITLE INSURANCE:** Title insurance offers protection from loss in the event that property has an undiscovered or overlooked title defect. To be fully protected against the possibility of property or financial loss, Purchaser should consider obtaining Owner's Title Insurance, which is available through attorneys and settlement agents. Purchasers of real property are required to purchase lender's title insurance on newly financed property as a condition to obtain the loan. This policy is designed to protect the lender against applicable losses in the event the title to the property is found to be defective. The Purchaser has the right to choose the title insurer, however typically the settlement agency/attorney chooses the title insurer.
11. **SCHOOL DISTRICTS:** All properties may be subject to school redistricting. Purchaser is advised to check directly with school administration to confirm school districts and school assignments.
12. **EXTERIOR INSULATION AND FINISH SYSTEM (EIFS):** At Purchaser's expense, an inspection and moisture test of EIFS or synthetic stucco may be performed by a certified EIFS Inspector. In the event the property is a condominium unit, the rights of other unit owners or the condominium association may limit Purchaser's inspection.
13. **ZONING/LAND USE:** Purchaser is hereby advised that any property may be subject to zoning or other land use considerations including but not limited to: aircraft noise/accident areas, landfills, special assessments, scenic buffers, historic preservation zones, "common areas"/"open spaces", reservoir and other "overlay districts", commercial-zoning districts, proximity to interstate highways, special taxing districts, and the Chesapeake Bay Preservation Act. Also, certain properties may be subject to a special transportation tax, such as the Alternate Rt. 5 Transportation District, which requires an additional tax for the construction of roadways. This also applies to certain historical corridors/historical overlay districts. It is recommended that the Purchaser investigate these matters with local authorities to determine if the property is affected by any of these considerations. In addition to the considerations above, it is the Purchaser's sole responsibility to investigate with the appropriate authorities the possibility for making changes/additions to the property with regard to conforming to zoning regulation and/or neighborhood covenants and restrictions.
14. **ASSISTANCE WITH MORTGAGE OR INSURANCE PROCUREMENT:** The Purchaser has the right to choose the mortgage lender and insurance broker. The real estate licensee working with Purchaser may assist by providing names of lenders and insurance companies for the Purchaser's consideration. Using real estate licensee's providers may not guarantee the lowest rates or best terms, and it may be in Purchaser's interest to compare the rates of more than one provider.
15. **NOISE:** Noise from whatever source (aircraft, traffic, commercial facilities, etc.) may affect the livability and/or enjoyment of a Property. It is recommended that the Purchaser determine if noise impacts the use of the property.
16. **SURVEYS/APPRAISALS:** Purchaser is advised that lot size, actual boundaries and square footage represented in the multiple listing and/or advertisements and highlight sheets are not warranted. A lender usually requires a land survey and an appraisal if the Purchaser is financing the purchase of property. Whether or not financing is involved, it is recommended that Purchaser obtain a land survey and an appraisal that reports the boundaries of the property, the setback requirements, and any encroachments, easements and deficiencies in land and square footage.
17. **NOTICE TO PURCHASERS/SELLERS:** Prudential Towne Realty, its Staff and Agents, will continue to call Purchasers/Sellers periodically, as per Do Not Call Regulations, with updates and pertinent real estate information until consent is withdrawn.
18. **CHINESE DRYWALL DISCLOSURE:** Specific drywall building materials imported from China, referred to as "Chinese Drywall", have been identified as causing health "irritant effects", corrosion in wiring and failed appliances in homes where the drywall material was used during construction. The drywall materials are thought to have been imported from 2002 through 2007, with 2005 through 2007 being referenced most often. Recent studies by the U.S. Consumer Product Safety Commission and others note the presence of hydrogen sulfide, formaldehyde and other compounds. They also note copper sulfide corrosion and failed appliances, including air conditioning systems. It is recommended that Purchaser investigate these matters through qualified home inspectors or contractors to determine whether the property is adversely affected by these or related conditions. You may also want to contact the Consumer Product Safety Commission at 1-800-638-2772 for additional information on this topic.
19. **ENVIRONMENTAL:** The use and developmental opportunities may be limited and health risks may be associated with certain properties if those properties in their past or present condition, are or were covered by the Chesapeake Bay Preservation Act, the Comprehensive Environmental Response, The Clean Water Act, The Virginia Water Control Act, or any other federal, state or local laws, regulations or ordinances concerning health, safety or the environment, including but not limited to, laws, regulations or ordinances concerned with (1) hazardous materials; (2) aboveground and/or underground storage tanks; (3) electromagnetic fields; (4) radon gas; (5) asbestos; (6) urea formaldehyde and; (7) lead-based paint. Information is available at the Department of Environmental Quality, which identifies confirmed releases or discharges of oil, which may affect the Property. It is recommended that Purchaser investigate the Chesapeake Bay Preservation Act and other environmental acts or regulations if purchaser is considering present or future improvements to the property and/or any tree removal or trimming these matters.

**CONSUMER DISCLOSURES** *(continued)*

20. **HOME PROTECTION INSURANCE:** There are several Purchaser protection programs available at a variety of prices, levels of coverage and deductible amounts. These programs may be purchased at settlement, by either Seller or Purchaser, and generally provide coverage of such items as appliances, heating, cooling, plumbing and electrical systems. Purchase of a protection plan is not mandatory. Prudential Towne Realty or Agent is not liable for the repairs or replacement of any noted systems or appliances. Prudential Towne Realty or Agent may earn a processing fee for origination of such protection plans, based upon plan selection.
21. **RESOURCE PROTECTION AREAS (RPAs):** RPAs are comprised of lands at or near shorelines that have an intrinsic water quality value or are sensitive to impacts which may degrade the quality of state waters. Examples of RPAs are tidal shores, tidal wetlands, perennial streams and non-tidal wetlands adjacent to these features. Certain areas have been designated as RPAs, there may be an RPA on a property. It is important for you to know that these protected RPA areas are to remain in their undisturbed natural state. Any removal of vegetation or land disturbance is prohibited. Before removing any vegetation from the RPA or to determine if there is an RPA on a property contact the jurisdiction in which the property is located for information.
22. **HOME INSPECTION:** Purchaser may request a home inspection of the Property at Purchaser's cost to determine the condition of the Property's appliances and structural, mechanical, plumbing and electrical systems. If Purchaser desires a home inspection, an addendum containing the Property inspection contingency shall be attached to the Purchase Contract.
23. **EQUAL SERVICES:** In the sale, purchase, exchange, rental or lease of real property, Prudential Towne Realty has the responsibility to offer equal service to all clients and prospects without regard to race, color, religion, national origin, sex, elderliness, familial status or handicap.
24. **INDOOR MOLD:** The United States Environmental Protection Agency advised that certain types of indoor mold may have the potential to cause adverse health effects or symptoms. While there are no current federal or state laws or regulations establishing residential standards for mold or requiring that inspections for mold be conducted, a Purchaser may want to take steps to evaluate the presence of mold in a resident dwelling prior to purchase.
25. **WOOD PRESERVATIVES:** The United States Environmental Protection Agency advises that certain wood preservatives used in decks and/or other exterior wood structures may have the potential to cause adverse health effects or symptoms. A Purchaser may want to take steps to evaluate the presence of material which might contain wood preservatives prior to purchase.
26. **LEASES / MANAGEMENT AGREEMENT:** Purchasers considering the purchase of properties with existing tenants are advised to inquire about the existence and terms of any current property management agreement, leases and security deposits.
27. **SMOKE DETECTION:** Purchaser should be aware that many municipalities require, and prudent and safe practice dictates, that operative smoke detection is available in the property. Purchaser should investigate to ensure that smoke detection is available in the property, if required by law, and is operative prior to occupancy.
28. **OCCUPANCY PERMIT AND HISTORICAL DISTRICT PROGRAMS:** Several municipalities have implemented occupancy permit and historical district programs, which may require compliance with the program upon sale and/or rental of property. The occupancy permit program may require the owner of residential real property subject to such programs to make certain repairs upon sale and/or rental of property. The historical district programs may require the owner of residential real property to submit plans for any alterations to the Property to a review board for approval.
29. **CONTRACTORS/SERVICE PROVIDERS:** Everett Contracting, Inc., a general contractor, is run by Thomas Womack, husband of Mary Womack, Managing Broker of Prudential Towne Realty. Avatar Studios Limited is run by Brent Seymour, husband of Peggy Seymour, Manager of Prudential Towne Realty Property Management. Walk-Wright Construction Co., LLC, is owned by Larry Walk, an agent with Prudential Towne Realty, and Advantage Home Prep is owned by John Otey and Seth Jenkins, also agents with Prudential Towne Realty. The seller/purchaser is under no obligation to use such services.
30. **RATIFICATION:** This shall mean the date of communication of final written acceptance of all the terms of the contract, not the date of removal of contingencies, at that time the deposit (within 5 business days) will be placed into escrow.
31. **DISBURSEMENT OF FUNDS FROM ESCROW ACCOUNTS (in accordance with the regulations of the Real Estate Board/Commission):** Upon the ratification of a contract, earnest money deposits and down payments received by the principal broker or supervising broker or his associates must be placed in an escrow account by the end of the fifth business banking day following ratification, unless otherwise agreed to in writing by the parties to the transaction, and shall remain in that account until the transaction has been consummated or terminated. In the even the transaction is not consummated (non-consummation), the principal broker or supervising broker shall hold such funds in escrow until (i) all principals to the transaction have agreed in writing as to their disposition, or (ii) a court of competent jurisdiction orders such disbursement of the funds, or (iii) the broker can pay the funds to the principal to the transaction who is entitled to received them in accordance with the clear and explicit terms of the contract which established the deposit. In the latter event, prior to disbursement, the broker shall give written notice to the principal to the transaction not to receive the deposit by either (i) hand delivery receipted for by the addressee, or (ii) by certified mail return receipt requested, with a copy to the other party, that this payment will be made unless a written protest from that principal to the transaction is received by the broker within 30 days of the hand delivery or mailing, as appropriate, of that notice.

**CONSUMER DISCLOSURES** (continued)

32. **DELIVERY OF THE PROPERTY OWNERS ASSOCIATION PACKET OR CONDOMINIUM RESALE CERTIFICATE:** Purchaser is advised to pay particular attention to the time-lines for cancellation of purchase contract. Upon purchaser's instructions, purchaser's agent may accept the packet/certificate on behalf of the purchaser. Upon acceptance by the agent, the 3 day contract cancellation period begins. The packet/certificate upon Purchasers contractual agreement can be mailed directly to the Purchaser, allowing a cancellation period within 6 days of the postmark date.
33. **VIRGINIA RESIDENTIAL PROPERTY DISCLOSURE ACT (Prudential Towne Realty Policy):** The Virginia Residential Property Disclosure Act (Virginia Code Section 55-517 *et seq.*) requires the seller of a residential property to provide a purchaser with a Residential Property Disclosure Statement developed by the Virginia Real Estate Board. The statement must be furnished to the purchaser before final ratification of the purchase contract or the purchaser may terminate the contract or sue later for damages. It is the policy of Prudential Towne Realty that its agents, when serving as the listing agent, selling agent or in dual agency capacities, shall disclose known material defects in homes or other elements of real property to purchasers or their agents, if the existence of material defects is known to the particular agent. Prudential Towne Realty encourages sellers to disclose to purchasers material defects in homes or other improvements to real property of which sellers have knowledge.
34. **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 Purchaser with any information on lead-based paint hazards from risk assessments or inspections in the Seller's possession and notify the Purchaser of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.
35. **CONSUMER RESPONSIBILITY:** Each party to a real estate transaction should carefully read all documents to be sure that the terms accurately express the understanding of the parties as to their intentions and agreements they have reached. Real estate agents can counsel on real estate matters, but if legal advice is desired, the parties should consult an attorney.

**There may be other relevant information concerning the transaction which may be obtained from other sources or appropriate governmental consumer agencies. If you have questions after reading these consumer disclosures, you may seek further information from the appropriate consumer agencies or consulting legal counsel.**

We, the undersigned, acknowledge that we have read and received a copy of these disclosures:

_____	_____	_____	_____
BUYER	DATE	SELLER	DATE

_____	_____	_____	_____
BUYER	DATE	SELLER	DATE