

VACANT LAND DISCLOSURE REPORT

DISCLAIMER

THIS DISCLOSURE REPORT CONCERNS THE REAL PROPERTY LOCATED AT 109 Pearl St, Units 4-6
IN THE Village
(CITY) (VILLAGE) (TOWN) OF Balsam Lake, COUNTY OF Polk
STATE OF WISCONSIN.

THIS REPORT IS A DISCLOSURE OF THE CONDITION OF THAT PROPERTY IN COMPLIANCE WITH SECTION 709.02 OF THE WISCONSIN STATUTES AS OF July (MONTH) 9th (DAY), 2021 (YEAR). IT IS NOT A WARRANTY OF ANY KIND BY THE OWNER OR ANY AGENTS REPRESENTING ANY PARTY IN THIS TRANSACTION AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THAT THE PARTIES MAY WISH TO OBTAIN.

A buyer who does not receive a fully completed copy of this report within 10 days after the acceptance of the contract of sale or option contract for the above-described real property has the right to rescind that contract (Wis. Stat. s. 709.02), provided the owner is required to provide this report under Wisconsin Statutes chapter 709.

NOTICE TO PARTIES REGARDING ADVICE OR INSPECTIONS

Real estate licensees may not provide advice or opinions concerning whether or not an item is a defect for the purposes of this report or concerning the legal rights or obligations of parties to a transaction. The parties may wish to obtain professional advice or inspections of the property and to include appropriate provisions in a contract between them with respect to any advice, inspections, defects, or warranties.

A. OWNER'S INFORMATION

A1. In this form, "aware" means the "owner(s)" have notice or knowledge.

A2. In this form, "defect" means a condition that would have a significant adverse effect on the value of the property; that would significantly impair the health or safety of future occupants of the property; or that if not repaired, removed, or replaced would significantly shorten or adversely affect the expected normal life of the premises.

A3. In this form, "owner" means the person or persons, entity, or organization that owns the above-described real property. An "owner" who transfers real estate that does not include any buildings is required to complete this report.

Exceptions: An "owner" who is a personal representative, trustee, conservator, or fiduciary appointed by or subject to supervision by a court, and who has never occupied the property transferred is not required to complete this report. An "owner" who transfers property that has not been inhabited or who transfers property in a manner that is exempt from the real estate transfer fee is not required to complete this report. (Wis. Stat. s. 709.01)

A4. The owner represents that to the best of the owner's knowledge, the responses to the following questions have been accurately checked as "yes," "no," or "not applicable (N/A)" to the property being sold. If the owner responds to any question with "yes," the owner shall provide, in the additional information area of this form, an explanation of the reason why the response to the question is "yes."

A5. If the transfer is of a condominium unit, the property to which this form applies is the condominium unit, the common elements of the condominium, and any limited common elements that may be used only by the owner of the condominium unit being transferred.

A6. The owner discloses the following information with the knowledge that, even though this is not a warranty, prospective buyers may rely on this information in deciding whether and on what terms to purchase the property. The owner hereby authorizes the owner's agents and the agents of any prospective buyer to provide a copy of this report, and to disclose any information in the report, to any person in connection with any actual or anticipated sale of the property.

CAUTION: The lists of defects following each question below are examples only and are not the only defects that may properly be disclosed in response to each respective question.

B. ENVIRONMENTAL

- | | YES | NO | N/A |
|--|--------------------------|-------------------------------------|--------------------------|
| B1. Are you aware of a material violation of an environmental rule or other rule or agreement regulating the use of the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B2. Are you aware of a defect caused by unsafe concentrations of, or unsafe conditions relating to, radon, radium in water supplies, high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the property, lead in soil, or other potentially hazardous or toxic substances on the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B3. Are you aware of the manufacture of methamphetamine or other hazardous or toxic substances on the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B4. Are you aware of subsoil conditions that would significantly increase the cost of development, including, but not limited to, subsurface foundations or waste material; any type of fill; dumpsites where pesticides, herbicides, fertilizer, or other toxic or hazardous materials or containers for these materials were disposed of in violation of manufacturer or government guidelines or other laws regulating such disposal; high groundwater; adverse soil conditions, such as low load-bearing capacity, earth or soil movement, settling, upheavals, or slides; excessive rocks or rock formations; or other soil problems? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B5. Are you aware of a defect caused by unsafe concentrations of, unsafe conditions relating to, or the storage of hazardous or toxic substances on neighboring properties? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B6. Are you aware of brownfields (abandoned, idled, or underused land that may be subject to environmental contamination) or other contaminated land on the property, or that contaminated soils on the property have been cleaned up under the Petroleum Environmental Cleanup Fund Act (PECFA), a Wisconsin Department of Natural Resources (DNR) remedial or cleanup program, the DATCP Agricultural Chemical Cleanup Program, or other similar program? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B7. Explanation of "yes" responses _____ | | | |
| _____ | | | |
| _____ | | | |
| _____ | | | |

C. WELLS, SEPTIC SYSTEMS, STORAGE TANKS

- | | YES | NO | N/A |
|--|--------------------------|-------------------------------------|--------------------------|
| C1. Are you aware of underground storage tanks presently or previously on the property for storage of flammable or combustible liquids, including, but not limited to, gasoline or heating oil? (If "yes," the owner, by law, may have to register the tanks with the Wisconsin Department of Agriculture, Trade and Consumer Protection at P.O. Box 8911, Madison, Wisconsin, 53708, whether the tanks are in use or not. Wisconsin Department of Agriculture, Trade and Consumer Protection regulations may require the closure or removal of unused tanks.) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| C2. Are you aware of defects in the underground or aboveground fuel storage tanks on or previously located on the property? Defects in underground or aboveground fuel storage tanks may include items such as abandoned tanks not closed in conformance with applicable local, state, and federal law; leaking; corrosion; or failure to meet operating standards. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| C3. Are you aware of defects in a well on the property or a well that serves the property, including unsafe well water due to contaminants such as coliform, nitrates, or atrazine, or any out-of-service wells or cisterns that are required to be abandoned (see s. NR 812.26, Wis. Adm. Code) but that are not closed or abandoned according to applicable regulations? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| C4. Are you aware of a joint well serving this property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| C5. Are you aware of a defect relating to a joint well serving this property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| C6. Are you aware of defects in any septic system or other private sanitary disposal system on the property or any out-of-service septic system that serves the property and that is not closed or abandoned according to applicable regulations? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| C7. Explanation of "yes" responses _____ | | | |
| _____ | | | |
| _____ | | | |
| _____ | | | |

D. TAXES, SPECIAL ASSESSMENTS, PERMITS, ETC.

	YES	NO	N/A
D1. Have you received notice of a property tax increase, other than normal annual increases, or are you aware of a pending property tax reassessment?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
D2. Are you aware of pending special assessments?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
D3. Are you aware of the property being located within a special purpose district, such as a drainage district, that has the authority to impose assessments against the real property located within the district?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
D4. Are you aware of any land division involving the property for which required state or local permits were not obtained?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
D5. Are you aware of impact fees or another condition or occurrence that would significantly increase development costs or reduce the value of the property to a reasonable person with knowledge of the nature and scope of the condition or occurrence?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
D6. Are you aware of proposed, planned, or commenced public improvements or public construction projects that may result in special assessments or that may otherwise materially affect the property or the present use of the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
D7. Explanation of "yes" responses _____			

E. LAND USE

	YES	NO	N/A
E1. Are you aware of the property being part of or subject to a subdivision homeowners' association?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E2. If the property is not a condominium unit, are you aware of common areas associated with the property that are co-owned with others?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E3. Are you aware of the property or any portion of the property being located in a floodplain, wetland, or shoreland zoning area under local, state or federal law?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E4. Are you aware of any zoning code violations with respect to the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E5. Are you aware of nonconforming uses of the property? A nonconforming use is a use of land, a dwelling, or a building that existed lawfully before the current zoning ordinance was enacted or amended, but that does not conform to the use restrictions in the current ordinance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E6. Are you aware of conservation easements on the property? A conservation easement is a legal agreement in which a property owner conveys some of the rights associated with ownership of his or her property to an easement holder such as a governmental unit or a qualified nonprofit organization to protect the natural habitat of fish, wildlife, or plants or a similar ecosystem, preserve areas for outdoor recreation or education, or for similar purposes.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E7. Are you aware of restrictive covenants or deed restrictions on the property?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E8. <i>Other than public rights of ways</i> , are you aware of nonowners having rights to use part of the property, including, but not limited to, <i>private</i> rights-of-way and easements other than recorded utility easements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E9. Are you aware of the property being subject to a mitigation plan required under administrative rules of the Wisconsin Department of Natural Resources related to county shoreland zoning ordinances, which obligates the owner of the property to establish or maintain certain measures related to shoreland conditions and which is enforceable by the county?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E10. The use value assessment system values agricultural land based on the income that would be generated from its rental for agricultural use rather than its fair market value. When a person converts agricultural land to a non agricultural use (e.g., residential or commercial development), that person may owe a conversion charge. For more information visit https://www.revenue.wi.gov/Pages/FAQS/slf-useassmt.aspx or (608) 266-2486.			
a. Are you aware of all or part of the property having been assessed as agricultural land under Wis. Stat. s. 70.32 (2r) (use value assessment)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
b. Are you aware of the property having been assessed a use-value assessment conversion charge relating to this property? (Wis. Stat. s. 74.485 (2))	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Are you aware of the payment of a use-value assessment conversion charge having been deferred relating to this property? (Wis. Stat. s. 74.485 (4))	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

- | | YES | NO | N/A |
|---|---|-------------------------------------|--------------------------|
| E11. Is all or part of the property subject to or in violation of a farmland preservation agreement?
Early termination of a farmland preservation agreement or removal of land from such an agreement can trigger payment of a conversion fee equal to 3 times the class 1 "use value" of the land. Visit https://datcp.wi.gov/Pages/Programs_Services/FPAgreements.aspx for more information. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E12. Is all or part of the property subject to, enrolled in, or in violation of the Forest Crop Law, Managed Forest Law, the Conservation Reserve Program, or a comparable program? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E13. Are you aware of a dam that is totally or partially located on the property or that an ownership in a dam that is not located on the property will be transferred with the property because it is owned collectively by members of a homeowners' association, lake district, or similar group? (If "yes," contact the Wisconsin Department of Natural Resources to find out if dam transfer requirements or agency orders apply.) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E14. Are you aware of boundary or lot line disputes, encroachments, or encumbrances (including a joint driveway) affecting the property?
Encroachments often involve some type of physical object belonging to one person but partially located on or overlapping on land belonging to another; such as, without limitation, fences, houses, garages, driveways, gardens, and landscaping. Encumbrances include, without limitation, a right or claim of another to a portion of the property or to the use of the property such as a joint driveway, liens, and licenses. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E15. Are you aware there is not legal access to the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E16. Are you aware of a pier attached to the property that is not in compliance with state or local pier regulations? See http://dnr.wi.gov/topic/waterways for more information. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E16m. Are you aware of a written agreement affecting riparian rights related to the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E16n. Are you aware that the property abuts the bed of a navigable waterway that is owned by a hydroelectric operator?
<i>Under Wis. Stat. s. 30.132, the owner of a property abutting the bed of a navigable waterway that is owned by a hydroelectric operator, as defined in s. 30.132 (1) (b), may be required to ask the permission of the hydroelectric operator to place a structure on the bed of the waterway.</i> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E17. Are you aware of one or more burial sites on the property? (For information regarding the presence, preservation, and potential disturbance of burial sites, contact the Wisconsin Historical Society at 800-342-7834 or www.wihist.org/burial-information). | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E18. Are you aware of archeological artifacts, mineral rights, orchards, or endangered species on the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E19. Are you aware of existing or abandoned manure storage facilities located on the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E20. Are you aware that all or part of the property is enrolled in the managed forest land program?
The managed forest land program is a landowner incentive program that encourages sustainable forestry on private woodlands by exempting the landowner from the payment of property taxes in exchange for the payment of a lower acreage share payment and compliance with certain conservation practices. Orders designating lands as managed forest lands remain in effect for 25 or 50 years. When ownership of land enrolled in the managed forest land program changes, the new owner must sign and file a report of the change of ownership on a form provided by the Wisconsin Department of Natural Resources (DNR) and pay a fee. By filing this form, the new owner agrees to comply with the management plan for the land and the managed forest land program rules. The DNR Division of Forestry monitors forest management plan compliance. Changes that a landowner makes to property that is subject to an order designating it as managed forest land, or to its use, may jeopardize benefits under the program or cause the property to be withdrawn from the program and may result in the assessment of penalties. For more information, call your local DNR forester or visit http://dnr.wi.gov/topic/forestry.html . | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E21. Explanation of "yes" responses | <div style="border-bottom: 1px solid black; padding-bottom: 5px;">E1 - See Condo Docs</div> <div style="border-bottom: 1px solid black; padding-bottom: 5px;">E2 - " " " "</div> <div style="border-bottom: 1px solid black; padding-bottom: 5px;">E7 - " " " "</div> | | |

F. ADDITIONAL INFORMATION

- | | YES | NO | N/A |
|--|--------------------------|-------------------------------------|--------------------------|
| F1. Are you aware of high voltage electric (100 kilo volts or greater) or steel natural gas transmission lines located on, but not directly serving, the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

	YES	NO	N/A
F2. Are you aware of flooding, standing water, drainage problems, or other water problems on or affecting the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
F3. Are you aware of material damage from fire, wind, flood, earthquake, expansive soil, erosion, or landslide?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
F4. Are you aware of significant odor, noise, water diversion, water intrusion, or other irritants emanating from neighboring property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
F5. Are you aware of significant crop damage from disease, insects, soil contamination, wildlife, or other causes; diseased or dying trees or shrubs; or substantial injuries or disease in livestock on the property or neighboring property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
F6. Utility Connections. Are you aware that the property is connected to the following utilities on the property or at the lot line? (If "yes," indicate where the utility is located.)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a. Electricity _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Municipal water _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Telephone _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Cable television _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Natural gas _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Municipal sewer _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F7. Are you aware of any agreements that bind subsequent owners of the property, such as a lease agreement or an extension of credit from an electric cooperative?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
F8. Are you aware of other defects affecting the property? Other defects may include items such as animal, reptile, or insect infestation; drainage easement or grading problems; excessive sliding; or any other defect or material condition.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
F9. Are you aware of a government agency, court order, or federal, state, or local regulations requiring repair, alteration, or correction of an existing condition?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
F9m. Is the owner a foreign person, as defined in 26 USC 1445 (f)? (E.g. a nonresident alien individual, foreign corporation, foreign partnership, foreign trust, or foreign estate.) Section 1445 of the Internal Revenue Code (26 USC 1445), also known as the Foreign Investment In Real Property Tax Act or FIRPTA, provides that a transferee (buyer) of a U.S. real property interest must be notified in writing and must withhold tax if the transferor (seller) is a foreign person, unless an exception under FIRPTA applies to the transfer.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
F10. The owner has owned the property for <u>10 +</u> years.			
F11. Explanation of "yes" responses _____			


Local utilities on property

Notice: You may obtain information about the sex offender registry and persons registered with the registry by contacting the Wisconsin Department of Corrections at <http://www.doc.wi.gov> or by phone at 608-240-5830.

OWNER'S CERTIFICATION

NOTE: Wisconsin Statute section 709.035 requires owners who, prior to acceptance of a purchase contract or an option to purchase, obtain information that would change a response on this report to submit a complete amended report or an amendment to the previously completed report to the prospective buyer within 10 days of acceptance.

The owner certifies that the information in this report is true and correct to the best of the owner's knowledge as of the date on which the owner signs this report.

Owner  Date 7/9/21
 Owner _____ Date _____
 Owner _____ Date _____

CERTIFICATION BY PERSON SUPPLYING INFORMATION

A person other than the owner certifies that the person supplied information on which the owner relied for this report and that the information is true and correct to the best of the person's knowledge as of the date on which the person signs this report.

Person _____ Items _____ Date _____
 Person _____ Items _____ Date _____
 Person _____ Items _____ Date _____

BUYER'S ACKNOWLEDGEMENT

The prospective buyer acknowledges that technical knowledge such as that acquired by professional inspectors may be required to detect certain defects such as the presence of asbestos, building code violations, and floodplain status.

I acknowledge receipt of a copy of this statement.

Prospective buyer _____ Date _____
 Prospective buyer _____ Date _____
 Prospective buyer _____ Date _____

Information appearing in italics is supplemental in nature and is not required pursuant to Section 709.03 of the Wisconsin Statutes.

CONDOMINIUM ADDENDUM TO REAL ESTATE CONDITION REPORT

1 THIS CONDOMINIUM ADDENDUM TO REAL ESTATE CONDITION REPORT (REPORT) IS AN ADDENDUM TO THE REAL ESTATE
2 CONDITION REPORT DATED July 9th, 2021 CONCERNING THE PROPERTY LOCATED AT
3 109 Pearl St, Units 4-6
4 Village (STREET ADDRESS), IN THE (CITY) (VILLAGE) (TOWN) **STRIKE TWO**
5 OF Balsam Lake, COUNTY OF Polk, STATE OF WISCONSIN.

6 This Report is given in compliance with Wis. Stat. § 709.02(2) and is not a substitute for a professional review of the condominium
7 documents and disclosure materials.

8 **I. CONDOMINIUM IDENTIFICATION and SELLER CONTACT INFORMATION**

9 Name of Condominium: Old School Townhomes
10 Unit Number: 4-6
11 This Condominium was created by the recording of the condominium instruments with the Office of the Register of Deeds on
12 September 5th, 2006 (insert date).

13 The contact information for the (Unit Owner) (Unit Owner's agent/listing broker) **STRIKE ONE** is as follows:

14 Name: Hansen Auction Group, LLC
15 Address: E1026 State Rd 170, Downing, WI 54734
16 Phone Number(s): (715) 265-4656
17 E-mail address (optional): realestate@hansenauctiongroup.com

18 **II. CONDOMINIUM ASSOCIATION INFORMATION**

19 Name of the Condominium Association: Old School Townhomes
20 Address of the Condominium Association: 109 Pearl Street #8
21 This Condominium Association is ☒ self-managed ☐ has hired or retained management **CHECK ONE**.
22 Contact Information (Association representative who can address the sale or the condominium in general):
23 Name: Mary Chartrand
24 Address: 109 Pearl Street #8, Balsam Lake WI 54810
25 Phone Number(s): 715-405-3584
26 E-mail address (optional): _____

27 **III. CONDOMINIUM ASSESSMENTS, FEES and CHARGES**

28 The Unit Owner is responsible for the following current condominium assessments, fees, special assessments and other charges
29 (itemize) (Optional: attach a copy of the current budget for easy reference.): NA
30 _____ Have all current charges been paid? ☒ Yes ☐ No **CHECK ONE**

31 **IV. EXECUTIVE SUMMARY**

32 A copy of the Executive Summary is attached unless this is a small condominium electing Wis. Stat. § 703.365(8) disclosure
33 requirements. Check with the Condominium Association to be sure that it is the most current version.

34 The information in this Report is true, correct and current to the best of the Unit Owners knowledge.
35 Unit Nicholas Walton Date 7/9/21 Unit Christopher Nelson Date 7/9/21
36 Owner Nicholas Walton Print Name Here Nicholas Walton Owner Christopher Nelson Print Name Here Christopher Nelson
37

38 Buyer acknowledges receipt of a copy of this Report. Check ☐ if condominium disclosure materials have been received.

39 Buyer _____ Date _____ Buyer _____ Date _____
40 Print Name Here ► Print Name Here ►

41 RESIDENTIAL CONDOMINIUM CONCEPTS

42 In general terms, residential Condominiums take what otherwise might have been an apartment, townhouse or house, and permits
43 individual sales of the separate dwelling Units. All of the dwelling Unit owners own the common areas together and collectively pay
44 for the upkeep and other common expenses. A Condominium, however, is not like living in an apartment because the owner is
45 usually responsible for the maintenance and repair of everything within the Unit - the property manager does not take care of it, as
46 would be the case with a tenant. To understand Condominium ownership, an understanding of certain key concepts is needed.

47 ■ **Declaration:** The Declaration is a written document that creates a Condominium from one or more parcels of real estate. In the
48 Declaration, the owner declares his or her property to now be a Condominium. The Declaration divides the property into several
49 smaller parcels: Units, which are individually owned, and the Common Elements, which are owned in common by all of the Unit
50 owners together. The Declaration sets out what percentage of ownership interest in the Common Elements is assigned to each
51 Unit, and the number of votes that the owner of each Unit has in the Association.

52 ■ **Declarant:** The Declarant is the builder or developer who declares his or her property to be a Condominium by recording the
53 Declaration and plat maps. The Declarant may reserve a period of "Declarant Control" that gives the Declarant time to finish
54 construction of the Condominium project and/or to sell the Units. During this period, the Declarant exercises the powers and
55 responsibilities of the Association through its exclusive right to appoint the directors to the Association board. As the Units are sold
56 to purchasers, elections are held at different intervals and the Unit owners (other than the Declarant) elect an increasing number of
57 the directors. Declarant Control lasts up to ten years in expandable Condominiums and up to three years in other Condominiums.

58 ■ **Unit:** A Unit is the part of the Condominium that is privately owned and used by the Unit owner. A Unit owner has exclusive
59 ownership and possession of his or her Unit. The statutes define Unit in terms of cubicles of air, enclosed spaces located on one or
60 more floors, and rooms. A Unit may also include structural parts of a building (walls, wood frame) or a Unit may be a whole
61 building, a building plus the surrounding land, or just land (similar to a lot). Units may also include separate areas that are some
62 distance apart. For example, a Unit may include a dwelling plus a storage area, patio or parking space. The boundaries of each Unit
63 are defined in the Declaration, which may describe the perimeter walls, sometimes known as the "perimetric boundaries," the upper
64 boundaries and the lower boundaries. Generally, everything within these boundaries will be part of the Unit. Therefore, each Unit's
65 boundaries may impact the Unit owner's maintenance responsibilities, ability to make improvements or alterations, and insurance
66 liability.

67 ■ **Common Elements:** Common Elements means everything else in the Condominium that is not a Unit. In a typical residential
68 Condominium, the Common Elements may include the land, the exterior and common areas of buildings (entranceway, halls,
69 elevator, meeting room, etc.), landscaping, roads, any outside parking areas, outdoor lighting, any recreational facilities (swimming
70 pool, tennis courts, clubhouse, etc.) and all other common areas and amenities.

71 ■ **Limited Common Elements:** The Limited Common Elements are Common Elements that are identified in the Declaration or plat
72 as reserved for the exclusive use of less than all of the Unit owners. Typically, a Limited Common Element will be reserved for the
73 use of just one Unit. Basically, you don't own it individually, but you are the only one who may use it. This exclusive use, however,
74 may be subject to restrictions stated in the Declaration, Bylaws or Condominium rules and regulations. Limited Common Elements
75 may include features like a storage area, patio, balcony, garage parking space, or a boat slip.

76 ■ **Percentage Interests:** Every Unit owner shares in the ownership of the Common Elements with the other owners. Each Unit is
77 allotted a portion of this ownership interest called the Percentage Interests. The Percentage Interests are stated in the Declaration
78 and come automatically with the ownership of a Unit. The Percentage Interests often determine the share of common expenses that
79 the Unit owner must pay for the repair and maintenance of the Common Elements and for the operation of the Association.
80 Percentage Interests may be an equal percentage for all Units, in proportion to the square footage of the Units, based upon the
81 location or value of the Units, or based upon some other formula stated in the Declaration.

82 ■ **Association:** The Association is the entity that the Unit owners use to act together as a group to manage and maintain the
83 Condominium property and finances. This group will be either a nonstock, nonprofit corporation or an unincorporated Association.
84 Every Unit owner is automatically a member of the Association and votes for the Association directors who, on behalf of the
85 Association, manage and maintain the Common Elements, adopt budgets and set the amount of the fees or assessments paid by
86 the Unit owners for the Association's common expenses. The Association directors typically are responsible for the maintenance of
87 the Condominium property, including lawn and garden care, snow removal, painting, roofs, and amenities such as swimming pools
88 and tennis courts. They are responsible for collecting assessment fees, maintaining books and records, overseeing reserve funds,
89 preparing financial reports, and filing tax returns. The board of directors is responsible for enforcing the rules and providing
90 disclosure materials for Unit sales. Some or all of these functions may be delegated to a Condominium manager or other
91 professionals such as accountants.

92 ■ **Assessment Fees:** The Association sets a budget for all of the Condominium expenses and divides those expenses among the
93 Unit owners. These fees are called "common assessments" or "condo maintenance fees" and typically are paid monthly. The
94 Association may also create reserves for future maintenance and repairs.

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