

EXCLUSIVE RIGHT TO SELL LISTING AGREEMENT

AGENCY: Maine Real Estate Brokerage DATE: June 4, 2013

In consideration of Agency's agreement to list and promote the sale of (☒ all ☐ part of; If 'part of' see explanation or description attached hereto) Seller's property situated in municipality of Penobscot, County of Hancock, State of Maine, located at 1650 Castine Road and described in deed(s) recorded at said County Registry of Deeds in Book(s) 2609, Page(s) 202, the undersigned as Seller, hereby gives the Agency the exclusive right to sell or exchange said property at a price of \$ 795,000.00, and on the terms herein stated, or at any other price or terms to which Seller may authorize or consent. If, during the term of this agreement, a Buyer is produced who is ready, willing and able to purchase at said price, or any other price or terms to which the Seller may agree, or if the property is sold or exchanged by anyone, including the Seller, then Seller agrees to pay Agency a commission of 6.000 % of contract price. This Agreement begins on June 4, 2013 and will expire on December 4, 2013. If at such expiration date Seller has placed the property under any type of contract and the transaction is still pending, the expiration date of this Agreement shall be extended until completion of that transaction by either closing/transfer of title or termination/expiration of the contract.

The commission as provided above shall be due if the property is sold, conveyed, exchanged, optioned or otherwise transferred within 6 months after the expiration of this Agreement to anyone with whom Agency has negotiated unless listed in good faith with another real estate brokerage agency. Negotiation shall include providing information about the property, showing the property, or presenting offers on the property. All rights under this paragraph shall expire on June 4, 2014.

SUBAGENCY

- ☐ Yes ☒ No This Agency's policy is to cooperate with other agencies acting as subagents of you the Seller.
☐ Yes ☒ No This Agency's policy is to share compensation with subagents.

BUYER'S AGENCY

- ☒ Yes ☐ No This Agency's policy is to cooperate with other agencies acting as Buyer's agents.
☒ Yes ☐ No This Agency's policy is to share compensation with Buyer's agents.

TRANSACTION BROKERS

- ☒ Yes ☐ No This Agency's policy is to cooperate with other agencies acting as transaction brokers.
☒ Yes ☐ No This Agency's policy is to share compensation with transaction brokers.

DISCLOSURE OF AGENCY COMPENSATION POLICIES

- ☐ Yes ☒ No This Agency's policy is to compensate all other real estate brokerage agencies in the same manner. If no, seller acknowledges this policy may limit the participation of other agencies in the marketplace.
☐ Yes ☒ No This Agency's policy on paying commissions to its affiliated licensees is to provide a greater commission for an in-house sale versus sales involving a cooperating real estate brokerage agency.

Agency has disclosed its policies regarding cooperation and compensation so as to inform Seller of any policy that would limit the participation of any other Agency.

Seller acknowledges and/or agrees:

- A continuing duty between the signing of this listing agreement and the final closing to disclose to Agency all information about the property, adverse or otherwise, and understands that all such information shall be disclosed by Agency to Buyer.
- To hold Agency harmless for any claim which may result from the Seller's failure to disclose information about the property.
- To refer all inquiries to Agency.
- To convey property by warranty deed.
- To authorize a "For Sale" sign on the property. ☐ Yes ☒ No
- To authorize the advertising of the property. ☒ Yes ☐ No
- To authorize use of a key and/or a lock box on the property. ☐ Yes ☒ No
- To authorize Agency to divulge the existence of offers on the property. ☒ Yes ☐ No
- To authorize publication of property and applicable disclosure attachments in the MLS and use of information for marketing, appraisal and statistical purposes. ☒ Yes ☐ No
- To authorize the Agency to use and make exterior and interior photographs of said property in promoting its sale. ☒ Yes ☐ No
- To authorize inclusion of street address of the property on Internet display to the public. ☒ Yes ☐ No
- To authorize inclusion of automated estimate of market value (AVM) on the property shown on virtual office websites. ☐ Yes ☒ No
- To authorize inclusion of allowing comments or reviews about the listing on virtual office websites. ☐ Yes ☒ No
- That Agency has discussed with Seller safeguarding of personal property and valuables located within the Property. Seller acknowledges that the Agency is not an insurer against loss of or damage to personal property.
- That the State of Maine law requires Buyers of property owned by non-resident Sellers to withhold a prepayment of capital gains tax unless a waiver has been obtained by Seller from the State of Maine Revenue Services.

Page 1 of 2 - ERTS Seller's Initials _____

- That the State of Maine law says that the owner of property as of April 1 is legally responsible to pay the property taxes even if the property is later sold and any tax lien filed for non-payment will be in the name of the owner as of April 1 which could have a negative effect on their credit rating.
- To seek legal, tax, and other professional advice as necessary in connection with sale of property.
- Receipt of a copy of this agreement.
- That Agency has informed Seller of his/her obligation to provide buyers with information developed by the Department of Health and Human Services (Bureau of Health) regarding what homeowners should know about arsenic in private water supplies and arsenic in treated wood.
- That Agency has informed Seller of his/her disclosure and certification obligations regarding the presence of lead-based paint and lead-based paint hazards and a Buyer's right to conduct a risk assessment or inspection of the property to determine the presence of lead-based paint or lead-based paint hazards.
- Any property management services are only provided by Agency if agreed to by separate written agreement.
- If any earnest money is forfeited by a Buyer, it shall be distributed one half to Seller, and one half to Agency. In no event shall the Agency portion exceed the agreed upon commission set forth above.

Seller agrees to hold Agency harmless from any loss or damage that might result from authorizations provided in the Agreement.

FIXTURES: The Seller agrees that all fixtures, including but not limited to existing storm and screen windows, shades and/or blinds, shutters, curtain rods, built-in appliances, heating sources/systems including gas and/or kerosene-fired heaters and wood stoves, sump pump and electrical fixtures are included with the sale except for the following: _____

PERSONAL PROPERTY: The following items of personal property may be included with the sale at no additional cost, in "as is" condition with no warranties if specified in the Purchase & Sale Agreement: _____

Other Conditions: **sales commission reduced to 5% if under contract prior to September 4, 1013**

Seller acknowledges receipt of a copy of the Residential Property Transaction Booklet ☒ Yes ☐ No

Agency and Seller agree that Agency shall represent Seller and that this Agreement creates an agency/client relationship as defined in the Real Estate Brokerage License Act.

Agency and Seller each agree that this property is to be offered without regard to race, color, religion, sex, handicap/disability, familial status (families with children), ancestry, sexual orientation, or national origin.

I hereby consent to receive fax or other electronic transmissions from Agency to fax number(s) and/or email address(es) provided herein.

SELLER(S)

Jack Wasserman

Charlotte Wasserman

Accepted by _____ on behalf of **Maine Real Estate Brokerage**
(REAL ESTATE LICENSEE) (AGENCY)
George MacLeod

SELLER(S) Mailing Address: **1650 Castine Road, Penobscot, ME 04476**

SELLER(S) Phone Number(s): **(207) 326-8452**

SELLER(S) E-mail Address: _____ SELLER(S) Fax Number(s): _____



LEAD PAINT ADDENDUM

TO CONTRACT DATED _____ BETWEEN

Jack Wasserman, Charlotte Wasserman (hereinafter "Seller")
AND _____ (hereinafter "Buyer")
FOR PROPERTY LOCATED AT **1650 Castine Road, Penobscot,**

Said contract is further subject to the following terms:

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 (check one)

(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 Buyer 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.

Buyer's Acknowledgment

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

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

(e) Buyer 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

(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 they have provided is true and accurate.

Seller _____ Date _____
Jack Wasserman


Buyer _____ Date _____

Seller _____ Date _____
Charlotte Wasserman

Buyer _____ Date _____

Agent _____ Date _____
George MacLeod

Agent _____ Date _____

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REALTOR®
The Christopher Group, LLC P.O. Box 306 Bucksport, ME 4416
George MacLeod

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Dept. of Professional & Financial Regulation
Office of Professional & Occupational Regulation
MAINE REAL ESTATE COMMISSION

35 State House Station Augusta ME 04333-0035



REAL ESTATE BROKERAGE RELATIONSHIPS FORM

Right Now You Are A Customer

Are you interested in buying or selling residential real estate in Maine? Before you begin working with a real estate licensee it is important for you to understand that Maine Law provides for different levels of brokerage service to buyers and sellers. You should decide whether you want to be represented in a transaction (as a client) or not (as a customer). To assist you in deciding which option is in your best interest, please review the following information about real estate brokerage relationships:

Maine law requires all real estate brokerage companies and their affiliated licensees ("licensee") to perform certain basic duties when dealing with a buyer or seller. You can expect a real estate licensee you deal with to provide the following **customer-level services**:

- ✓ To disclose all material defects pertaining to the physical condition of the real estate that are known by the licensee;
- ✓ To treat both the buyer and seller honestly and not knowingly give false information;
- ✓ To account for all money and property received from or on behalf of the buyer or seller; and
- ✓ To comply with all state and federal laws related to real estate brokerage activity.

Until you enter into a written brokerage agreement with the licensee for client-level representation you are considered a "customer" and the licensee is not your agent. **As a customer, you should not expect the licensee to promote your best interest, or to keep any information you give to the licensee confidential, including your bargaining position.**

You May Become A Client

If you want a licensee to represent you, you will need to enter into a written listing agreement or a written buyer representation agreement. These agreements **create a client-agent relationship** between you and the licensee. As a client you can expect the licensee to provide the following services, **in addition to** the basic services required of all licensees listed above:

- ✓ To perform the terms of the written agreement with skill and care;
- ✓ To promote your best interests;
 - For seller clients this means the agent will put the seller's interests first and negotiate the best price and terms for the seller;
 - For buyer clients this means the agent will put the buyer's interests first and negotiate for the best prices and terms for the buyer; and
- ✓ To maintain the confidentiality of specific client information, including bargaining information.

COMPANY POLICY ON CLIENT-LEVEL SERVICES — WHAT YOU NEED TO KNOW

The real estate brokerage company's policy on client-level services determines which of the three types of agent-client relationships permitted in Maine may be offered to you. The agent-client relationships permitted in Maine are as follows:

- ✓ The company and all of its affiliated licensees represent you as a client (called "**single agency**");
- ✓ The company appoints, with your written consent, one or more of the affiliated licensees to represent you as an agent(s) (called "**appointed agency**");
- ✓ The company may offer limited agent level services as a **disclosed dual agent**.

WHAT IS A DISCLOSED DUAL AGENT?

In certain situations a licensee may act as an agent for and represent both the buyer and the seller in the same transaction. This is called **disclosed dual agency**. *Both the buyer and the seller must consent to this type of representation in writing.*

Working with a dual agent is not the same as having your own exclusive agent as a single or appointed agent. For instance, when representing both a buyer and a seller, the dual agent must not disclose to one party any confidential information obtained from the other party.

Remember!

Unless you enter into a written agreement for agency representation, you are a customer—not a client.

THIS IS NOT A CONTRACT

It is important for you to know that this form is not a contract. The licensee's completion of the statement below acknowledges that you have been given the information required by Maine law regarding brokerage relationships so that you may make an informed decision as to the relationship you wish to establish with the licensee/company.

To Be Completed By Licensee

This form was presented on (date) June 4, 2013
 To Jack and Charlotte Wasserman
 Name of Buyer(s) or Seller(s)
 by George MacLeod
 Licensee's Name
 on behalf of Maine Real Estate Brokerage
 Company/Agency

MREC Form#3 Revised 07/2006
Office Title Changed 09/2011

To check on the license status of the real estate brokerage company or affiliated licensee go to www.maine.gov/professionallicensing.
Inactive licensees may not practice real estate brokerage.

SELLER'S PROPERTY DISCLOSURE

Under Maine Law, certain information must be made available to buyers prior to or during preparation of an offer. This statement has been prepared to assist prospective buyers in evaluating this property. This disclosure is not a warranty of the condition of the property and is not part of any contract between the Seller and any buyer. The Seller authorizes the Listing Broker in this transaction to disclose the information in this statement to other real estate licensees and to prospective buyers of this property. The Seller agrees to notify the Listing Broker promptly of any changes in the information and this form will be appropriately changed with an amendment date. Inspections are highly recommended.

NOTE: DO NOT LEAVE ANY QUESTIONS BLANK. WRITE N/A (NOT APPLICABLE) OR UNKNOWN IF NEEDED.

1650 Castine Road

PROPERTY LOCATED AT: Penobscot,

SECTION I. WATER SUPPLY

TYPE OF SYSTEM: ☐ Public ☒ Private ☐ Seasonal ☐ Unknown
☒ Drilled ☐ Dug ☐ Other _____

MALFUNCTIONS: Are you aware of or have you experienced any malfunctions with the (public/private/other) water system?

Pump: ☐ Yes ☒ No ☐ N/A

Quantity: _____ ☐ Yes ☒ No ☐ Unknown

Quality: ☒ Yes ☐ No ☐ Unknown

If YES to any question, please explain in the comment section below or with attachment.

WATER TEST: Have you had the water tested? _____ ☒ Yes ☐ No

IF YES: Date of most recent test: _____ Are test results available? _____ ☐ Yes ☒ No

To your knowledge, have any test results ever been reported as unsatisfactory or satisfactory with notation? ☒ Yes ☐ No

IF YES, are test results available? _____ ☐ Yes ☒ No

What steps were taken to remedy the problem? whole house arsenic filtration system installed

• IF PRIVATE:

INSTALLATION: Location: front of house

Installed BY: unavailable DATE of Installation: 1973 est

What is the source of your information: seller

USE: Number of Persons currently using system? 2

Does system supply water for more than one household? _____ ☐ Yes ☒ No ☐ Unknown

COMMENTS: Norlen's Water Systems monitors and services filter system to assure quality

SECTION II. WASTE WATER DISPOSAL

TYPE OF SYSTEM: ☐ Public ☒ Private ☐ Quasi-Public _____ ☐ Unknown

• IF PUBLIC OR QUASI-PUBLIC:

Have you experienced any problems such as line or other malfunctions? _____ ☐ Yes ☐ No

What steps were taken to remedy the problem? _____

• IF PRIVATE:

TANK: ☒ Septic Tank ☐ Holding Tank ☐ Cesspool ☐ Other: _____

Tank Size: ☐ 500 Gal. ☒ 1000 Gal. ☐ Unknown ☐ Other: _____

Tank Type: ☒ Concrete ☐ Metal ☐ Unknown ☐ Other: _____

Location: north side of house OR ☐ Unknown Date of Installation: 1973 est

Date Last Pumped: _____ Name of Company Pumping Tank: Berry's Septic

Have you experienced any malfunctions? _____ ☐ Yes ☒ No

If yes, give the date and describe the problem: _____

Date of Last Servicing of tank: _____ Name of Company Servicing Tank: _____

LEACH FIELD: _____ ☒ Yes ☐ No ☐ Unknown

IF YES: Location: north side of house

Date of installation of leach field: 1973 est Installed by: unavailable

Date of Last Servicing of leach field: n/a Name of Company Servicing leach field: n/a

Have you experienced any malfunctions? _____ ☐ Yes ☒ No

If yes, give the date and describe the problem & what steps were taken to remedy: _____

Does Seller have records of the septic system design indicating the number of bedrooms the system was designed for? _____ ☐ Yes ☒ No

IF YES, is it available? _____

SOURCE OF INFORMATION: _____

COMMENTS: _____

IS SYSTEM LOCATED IN A SHORELAND ZONE?: _____ ☐ Yes ☒ No ☐ Unknown

Is System located in a Coastal Shoreland Zone? _____ ☐ Yes ☒ No ☐ Unknown

2013 Page 1 of 3 - SPD Buyer(s) Initials _____ Seller(s) Initials _____

The Christopher Group, LLC P.O. Box 306 Bucksport, ME 4416

Phone: (207)944-8771

Fax: _____

Wasserman

George MacLeod

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SECTION III. HEATING SYSTEM(S)/SOURCES(S)

Heating System(s)/Source(s)	SYSTEM 1	SYSTEM 2	SYSTEM 3	SYSTEM 4
TYPE(S)	Oil/Hot Water	Wood fireplaces		
Age of system(s)/source(s)	1973			
Name of company that services system(s)/source(s)	Gary's Fuel			
Date of most recent service call	09/09/2012			
Annual consumption per system/ source (i.e., gallons, kilowatt hours, cord(s))	1,245			
Malfunction per system(s)/ source(s) within past 2 years	none			
Other pertinent information				

Buried Oil Supply Line: ☐ Yes ☒ No ☐ Unknown Sleeved: ☐ Yes ☒ No
 Chimney(s) Lined: ☒ Yes ☐ No ☐ Unknown Age: **1973** Last Cleaned: _____
 Is more than one heat source vented through one flue? ☐ Yes ☒ No ☐ Unknown Had a chimney fire: ☐ Yes ☒ No ☐ Unknown
 Has chimney been inspected? ☒ Yes ☐ No ☐ Unknown; If Yes, when: **2012** Power Vent: ☐ Yes ☒ No ☐ Unknown
 COMMENTS: _____

SECTION IV. HAZARDOUS MATERIAL

The licensee is disclosing that the Seller is making representations contained herein.

A. UNDERGROUND STORAGE TANKS - Current or previously existing:

Are there now, or have there ever been, any underground storage tanks on your property? ☐ Yes ☐ No ☒ Unknown

IF YES: Are tanks in current use? ☐ Yes ☐ No ☐ Unknown

IF NO above: How long have tank(s) been out of service? _____

What materials are, or were, stored in the tank(s)? _____

Age of tank(s): _____ Size of tank(s): _____

Location: _____

Have you experienced any problems such as leakage? _____

Are tanks registered with the Dept. of Environmental Protection? ☐ Yes ☐ No ☐ Unknown

If tanks are no longer in use, have tanks been abandoned according to D.E.P.? ☐ Yes ☐ No ☐ Unknown

Comments: _____

B. ASBESTOS - Current or previously existing:

• as insulation on the heating system pipes or duct work? ☐ Yes ☒ No ☐ Unknown

• in the siding? ☐ Yes ☒ No ☐ Unknown

• in the roofing shingles? ☐ Yes ☒ No ☐ Unknown

• in flooring tiles? ☐ Yes ☐ No ☒ Unknown

• other: _____ ☐ Yes ☐ No ☒ Unknown

IF YES: Source of Information: _____

COMMENTS: _____

C. RADON/AIR - Current or previously existing:

Has the property been tested? ☒ Yes ☐ No ☐ Unknown

IF YES: Date: **1995** By: **unavailable**

Results: **OK** If applicable, What remedial steps were taken? _____

Has the property been tested since remedial steps? ☐ Yes ☐ No ☐ Unknown

Are test results available? ☐ Yes ☒ No Results & Comments: _____

D. RADON/WATER - Current or previously existing:

Has the property been tested? ☐ Yes ☒ No ☐ Unknown

IF YES: Date: _____ By: _____

Results: _____ If applicable, What remedial steps were taken? _____

Has the property been tested since remedial steps? ☐ Yes ☐ No ☐ Unknown

Are test results available? ☐ Yes ☐ No Results & Comments: _____

E. LEAD-BASED PAINT/PAINT HAZARDS - Current or previously existing: (Note: Lead-based paint is most commonly found in homes constructed prior to 1978; See EPA Disclosure brochure/form and Maine Lead Warning for more information)

Is there now or has there ever been lead-based paint and/or lead-based paint hazards on the property? ☐ Yes ☐ No ☐ Unknown

☒ Unknown but possible due to age

IF YES, describe location and the basis for the determination: _____

Do you know of any records or reports pertaining to such lead-based paint or lead-based paint hazards: ☐ Yes ☒ No

IF YES, describe: _____

Are you aware of any cracking, peeling or flaking paint? ☐ Yes ☒ No

COMMENTS: _____

2013 Page 2 of 3 - SPD Buyer(s) Initials _____ Seller(s) Initials _____

PROPERTY LOCATED AT 1650 Castine Road, Penobscot,

F. OTHER HAZARDOUS MATERIALS - Current or previously existing:

TOXIC MATERIAL: ☐ Yes ☐ No ☒ Unknown

LAND FILL: ☐ Yes ☐ No ☒ Unknown

RADIOACTIVE MATERIAL: ☐ Yes ☐ No ☒ Unknown

OTHER: _____

Buyers are encouraged to seek information from professionals regarding any specific issue or concern.

SECTION V. GENERAL INFORMATION

Is the property subject to or have the benefit of any encroachments, easements, rights-of-way, leases, rights of first refusal, life estates, private way, private road/homeowner associations or restrictive covenants? ☐ Yes ☒ No ☐ Unknown

IF YES: Explain: _____

What is your source of information: _____

Are there any tax exemption or reduction for this property for any reason including but not limited to: Tree Growth, Open Space and Farmland, Veteran's, Homestead Exemption, Blind, Working Waterfront? ☐ Yes ☒ No ☐ Unknown

IF YES: Explain: _____

• Leased Equipment (e.g., propane tank, hot water heater, satellite dish): Type: None

• Year Principal Structure Built: 1973 What year did Seller purchase property? 1995

• Roof: Year Built - Structure: 1973 Year Shingles/Other Installed: 2005

Water, moisture or leakage: None

Comments: _____

• Foundation/Basement: Sump Pump: ☐ Yes ☒ No ☐ Unknown Comments: _____

Water, moisture or leakage since you owned the property: ☐ Yes ☒ No ☐ Unknown Comments: _____

Knowledge of prior water, moisture or leakage: ☐ Yes ☒ No ☐ Unknown Comments: _____

• Mold: Has the property ever been tested for mold? ☐ Yes ☒ No ☐ Unknown If YES, are test results available? ☐ Yes ☐ No

• Electrical: ☐ Fuses ☒ Circuit Breaker ☐ Other: _____ ☐ Unknown

• Has the property been surveyed? ☒ Yes ☐ No ☐ Unknown If YES, is the survey available? ☒ Yes ☐ No

• Manufactured Housing: Mobile Home - ☒ Yes ☐ No ☐ Unknown Modular - ☒ Yes ☐ No ☐ Unknown

• KNOWN MATERIAL DEFECTS about Physical Condition and/or value of Property, including those that may have an adverse impact on health/safety: None

Seller shall be responsible and liable for any failure to provide known information regarding known material defects to the Buyer.

ATTACHMENTS EXPLAINING CURRENT PROBLEMS, PAST REPAIRS OR ADDITIONAL INFORMATION IN ANY SECTION IN DISCLOSURE: ☐ Yes ☒ No

SECTION VI. ADDITIONAL INFORMATION

Original cape with kitchen ell built in 1973. Current owners added family room with attached garage and guest quarters after they purchased in 1995.

As Sellers, we have provided the above information and represent that all information is correct. To the best of our knowledge, all systems and equipment, unless otherwise noted on this form, are in operational condition.

Neither Seller nor any Broker makes any representations as to the applicability of, or compliance with, any codes of any sort, whether state, municipal, federal or any other, including but not limited to fire, life safety, building, electrical or plumbing.

SELLER

Jack Wasserman

DATE

SELLER

Charlotte Wasserman

DATE

I/We have read and received a copy of this disclosure, the arsenic in wood fact sheet, the arsenic in water brochure, and understand that I/we should seek information from qualified professionals if I/we have questions or concerns.

BUYER

DATE

BUYER

DATE



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Wasserman

Maine Association of REALTORS®

Residential Property Transaction Booklet An Informational Guide

--- Includes ---

Property Transaction Questions & Answers
List of Professional Associations and Government Agencies



PROPERTY TRANSACTION QUESTIONS AND ANSWERS

The purchase of property is a very significant act for many people. You have taken an important step by contacting a REALTOR® to be your licensee in the transaction. The relationship between buyer and real estate licensee is more satisfying if all parties understand the scope of the responsibilities of each in the transaction.

Your REALTOR® will be assisting you in many ways during the course of your real estate transaction. One of the ways your REALTOR® will help you is by directing you to information sources and specialized professionals who are especially equipped to answer certain questions, perform certain tasks or handle certain aspects of the transaction. Some issues are also the buyer's or seller's responsibility. To avoid misunderstandings, and to make sure you have adequate information so that you know what to expect, the following questions and answers cover some common issues regarding the responsibilities of the seller, the buyer, the real estate professional and other appropriate professionals.

DISCLOSURE RESPONSIBILITIES

First and foremost, buyers, sellers and licensees have an obligation to deal honestly with each other.

Every property has defects; some small and some large, some obvious and some not so obvious. Some sellers have lived with a defect that they view as unimportant but it may be important to the buyer. This section deals with what must be disclosed and the format in which it must be disclosed.

Question 1: What must a seller disclose about the property?

Answer: A seller must disclose known material defects about the property. Typically, a seller would make these disclosures on a Property Disclosure Form. In virtually all cases, a buyer will discover any problems once the buyer occupies the property. By disclosing all problems up front, the seller can avoid the surprise that many times provokes a lawsuit.

Question 2: What is the Property Disclosure Form?

Answer: Among other things, a Property Disclosure Form asks the seller to list whether or not the various features are in operating condition. It allows a seller to state whether the seller is aware of a variety of common issues such as environmental hazards and other matters that might affect the property. Adding "as is" does not exempt a seller from disclosing known material defects about the property.

Question 3: Must the seller correct the defects in the property?

Answer: No, the seller has no obligation to correct defects, known or discovered unless the seller has agreed to do so in writing. Any correction of the defects is a matter of negotiation as part of the Purchase & Sale Agreement.

Question 4: What are the buyer's responsibilities in the transaction?

Answer: A buyer must take an active role in the transaction. Rather than passively waiting for the seller to volunteer information, a buyer has an obligation to inspect the property and ask questions. All real property and improvements contain defects and conditions which are not readily apparent and which may affect the value or desirability of the property. The buyer should review the Property Disclosure Form with a particular eye to questions answered "unknown" or left unanswered. Keep in mind, the buyer should not rely on the licensee to verify any statements by the seller. Because conditions and defects are often difficult to locate and discover, all buyers should obtain independent inspections by appropriate professionals to ascertain facts important to him or her.

Question 5: What obligation does a buyer have to investigate facts regarding the property?

Answer: The buyer should request any information important to the buyer that could affect the property's value or desirability. Since neither the seller nor the licensees are always aware of a buyer's particular needs, the buyer must request information in areas of interest or importance to the buyer. Some information will be disclosed as a matter of course, but the buyer should at least take responsibility to assure that all important issues are verified and addressed. At the very least, if an issue is not addressed in disclosure documents or other reports, the buyer should affirmatively raise it. One way for a buyer who has employed the services of a buyer's agent to inquire about these issues is to write a list of any such concerns and give the list to the buyer's agent. The agent may not have the information, in which case the agent may direct the buyer to a source or the appropriate professional who can provide the information through inspections or other means. If the buyer never raises an issue, the agent will assume that the disclosure documents cover areas of concern to the buyer. If the buyer is working with a transaction broker, the buyer will need to investigate areas of concern on their own.

Question 6: What are the real estate brokerage agency's disclosure responsibilities in the transaction?

Answer: A real estate brokerage agency employed by a seller as their agent shall treat all prospective buyers honestly and may not knowingly give false information and shall disclose in a timely manner to a prospective buyer all material defects pertaining to the physical condition of the property of which the real estate brokerage agency knew or, acting in a reasonable manner, should have known. A real estate brokerage agency is not liable to a buyer for providing false information to the buyer if the false information was provided to the real estate brokerage agency by the seller and the real estate brokerage agency did not know, or acting in a reasonable manner, should not have known that the information was false. A real estate brokerage agency is not obligated to discover latent defects in the property.

Since conditions and defects are often difficult to locate and discover, and since the licensee often relies on the statements of the owner of the property, the licensee does not guarantee, and in no way assumes responsibility for, the condition of the property.

An agent representing a buyer shall disclose to the buyer material facts of which an agency has actual knowledge or, if acting in a reasonable manner, should have known concerning the transaction. However, the buyer is still obligated to conduct his/her own inspection of the physical condition of the property.

Question 7: How does a buyer protect him or herself from defects after closing?

Answer: There are home warranties and other insurance policies available that cover certain types of defects. These are usually purchased separately. Neither the seller nor the licensees involved warrant the condition of the property against defects that occur or are discovered after closing, unless they specifically agree in writing. Though the seller and the licensees must make certain disclosures, this does not mean that the seller or licensees warrant the property to be free from defects or agree to correct defects which occur or are discovered after the closing. Requesting contingencies and inspection rights are critical to a buyer as they enable a buyer to ascertain the condition of the property before closing and negotiate possible solutions to any problems before electing to go forward with the transaction.

INSPECTIONS AND INVESTIGATIONS**Question 8: Since the seller must make disclosures, is it still necessary for the buyer to obtain inspections and investigate the property?**

Answer: Yes. Many times the seller does not know about a defect or problem. For example, a seller may not be aware that a repair was done incorrectly and therefore the problem still exists. Alternatively, something that may be unimportant to the seller (i.e., a defect that they have lived with for years) may be an issue for the buyer. The seller's disclosure may also not reveal issues of importance to the buyer. An inspection by an appropriate professional can help the buyer determine the condition of the property and address issues that the buyer deems important.

Question 9: Does a buyer have a responsibility to obtain information about the property?

Answer: Yes. A buyer must inspect the property and ascertain facts through diligent attention and observation. A buyer should make careful observations, examine the property and request or otherwise obtain any records important to the buyer. These requests should be made in writing.

Question 10: Does the licensee have a responsibility to obtain information about the property?

Answer: A licensee listing a property which is either residential, a residential lot, a commercial property with a residential component, or a licensee representing a buyer in such a transaction, when the property is not listed with an agency, shall ask the seller for information about the water supply, heating system, waste disposal system and known hazardous materials.

Question 11: What types of non-physical conditions should the buyer investigate?

Answer: The type and scope of the investigation the buyer makes will depend on the specific needs of the buyer. A buyer may have various plans for the property, such as remodeling, renting or other use. Since neither the seller nor the licensees involved may know of the buyer's intent, the buyer needs to satisfy him or herself as to these matters. The following are just some of the property's non-physical conditions that the buyer may wish to address:

- Governmental requirements and limitations
- Absence of required governmental permits, inspections, certificates, or other determinations affecting the property
- Limitations, restrictions, and requirements affecting the use of the property
- Rent and occupancy restrictions
- Neighborhood or area conditions
- Schools
- Proximity and adequacy of law enforcement, crime statistics, proximity of registered sex offenders and/or other criminals
- Proximity to fire protection and other governmental services
- Proximity to commercial, industrial, or agricultural services
- Existing and proposed transportation, construction, and development which may affect noise, view, or traffic, airport noise, noise or odor from any source
- Wild and domestic animals; other nuisances, hazards or circumstances
- Possible lack of compliance with any governing documents or homeowners' association requirements
- Adequacy and condition of common areas and facilities of common interest developments (e.g., condominiums)
- Violations of governing documents of homeowners' association requirements of common interest developments
- Information regarding homeowners' associations, including, but not limited to, minutes, financial statements, pending special assessments, claims, and litigation
- Conditions and influences of significance to specific cultures and religions, or to the personal needs, requirements and preferences of the buyer

Since a buyer may have a wide range of concerns, including non-physical aspects of the property, a buyer desiring additional information or investigation of issues should discuss these with the licensee and, if the licensee consents to inquiring further, should get a written agreement to that effect. Many times, the licensee will respond with directing a buyer to the appropriate inspector or consultant.

Question 12: Is the seller required to fix defects that are discovered as a result of any inspection prior to closing?

Answer: Generally the answer is no, but it really depends on the Purchase and Sale Agreement. Unless specifically agreed to in writing, a sale of real estate does not include any warranty as to any system, component, or aspect of the property. Licensees do not warrant the property or its features.

Question 13: Is the seller required to fix defects that are discovered after the transaction closes?

Answer: Generally no. This is why it is so important that buyers follow through with their obligation to investigate the property before completing the transaction. As stated earlier, licensees do not warrant the property or its features and a seller does not warrant any system, component, or aspect of the property unless he or she specifically agrees to do so in writing. Defects or problems that occur after the transaction closes are the responsibility of the new owner. Home warranty or maintenance policies can be purchased to cover some items. Homeowners' insurance may also cover damage caused by certain defects.

Question 14: What aspects of the property should the buyer investigate?

Answer: The buyer should investigate every physical or non-physical aspect of the property and surrounding neighborhood about which he or she is concerned. The following are some, but not all, of the conditions the buyer should investigate or inspect and which professionals are qualified under each category:

Item	What It Covers and Explanation	Appropriate Professional
Size	Square footage, room dimensions	Licensed or Certified Appraiser; Buyer measurement if square footage is of a material consideration in purchase.
Age of Structure and Additions	Age of property improvements	Municipal records
Waste Disposal System	Age, location, type, size, adequacy, capacity and condition of sewer and septic systems and components. Compliance with Local and State codes.	Municipal and State records; Code Enforcement Officer of Town; licensed soils evaluator (scientist); local plumbing inspectors
Water Supply (public & private)	Water quality, quantity, availability and use restrictions. Performance of well systems and components. Roots growing onto pipes in public systems.	General Building Inspectors, Water Quality Testing Labs, Well and Water Consultants, Well and Drilling Contractors, Local Water Utilities
Condition of Structure, Systems and Components	Built-in appliances, foundation, roof, plumbing, heating, air conditioning, electrical systems, mechanical, security, pool/spa, other structural and non-structural systems and components. Personal property if included in the sale. Insulation, energy efficiency of the property	General building inspector, other licensed contractors to answer your specific concerns, Energy Consultant/Inspector.
Chimney	Structure of the interior and the exterior of the chimney.	Chimney sweeps, fire department, Level II inspectors, State Fire Marshal's office, building inspector.

Property Lines and Boundaries; Lot Size	Property lines and boundaries. Fences, hedges, walls, and other natural or constructed barriers or markers should not be relied on to establish property boundaries. Lot size.	Registries of deed, Municipal records, licensed surveyor to establish boundaries through staked survey
Encroachments, Setbacks, Floodplain, Easements	Boundaries and land issues affecting the property	Mortgage loan inspection, surveyor, Registry of Deeds, Municipal records, title attorney
Land Use, Zoning & Other Codes	Compliance with existing codes (e.g., building, fire, plumbing & electrical), permitted uses (e.g., subdivisions, expansions), setbacks, restrictions, land use, tree growth, farmland and open space, shoreland zoning and resource protection, compliance with Americans with Disabilities Act (ADA), endangered species/natural habitat	Code Enforcement Officers, Local and State Agencies, Surveyors, Appraisers
Title Issues	Liens, Easements, Restrictions, Association/Condominium Restrictions, Covenants, Private Road issues (e.g., private road maintenance), Types of Deeds, Types of Ownership	Title Attorneys, title insurance companies, Association/Condominium officers
Environmental Hazards and Issues on the property and Surrounding Areas	Any concerns you may have about environmental issues inside & outside the property and surrounding areas including but not limited to Air Quality (e.g., radon, asbestos, odors), contaminated soil and water (e.g., MBTE, radon, arsenic, lead), fuel or chemical storage tanks, hazardous waste (e.g., dump site, junk yards), electromagnetic fields, nuclear sources, neighborhood noise issues	Local, State & Federal Agencies; Environmental Consultants; Water Quality laboratories; general building inspectors.
Lead-Based Paint	Testing for presence of lead in paint, dust, soil, water, and/or any other areas in or around the property	Lead inspector, lead assessor, general building inspector
Mold	Inspecting for presence of moisture problem which may have led to mold or moisture issues	Home inspector, Certified Industrial Hygienist
Property Stigmas	Any influences or occurrences that might be of concern to you, such as death, suicide, supernatural phenomena, fire or crimes.	Local media, law enforcement agencies, fire departments, neighbors, previous owners, local historical societies.
Neighborhood & Community Issues	Schools, crimes, municipal services, medical services, utility availability, sex offender registration (in Maine, http://www.informe.org/sor or call 207-624-7100)	Municipal officials, school districts, chambers of commerce, law enforcement agencies, hospitals, local utility companies (e.g., telephone companies, cable companies, power companies)

Question 15: How should a buyer select other service professionals such as a building inspector or attorney?

Answer: There are many professionals and service providers (including lending institutions, loan brokers, title insurers, title and closing companies, inspectors, structural pest control companies, contractors and home warranty companies) who assist buyers. Unless otherwise agreed, the person hiring the provider ultimately makes the selection. Service providers should be selected based on their qualifications, the scope of their service, satisfaction of previous clients and the price of their service. Keep in mind that if licensees provide the buyer or seller names of providers or other professional persons, (1) the licensees do not guarantee the performance of any providers, and (2) the buyer and seller are free to select providers other than those referred or recommended by the licensees. Many service providers are members of professional trade associations. A list of such associations and/or governmental agencies overseeing the provider's function is located at the end of this booklet.

Question 16: How do I select a home inspector?

Answer: As with any professional, a buyer will want to check a home inspector's references and ask questions, such as whether the inspector has any licenses, carries professional liability insurance, belongs to a professional trade association and provides written reports. Buyers should find out what items the inspector's report covers to ensure that items important to the buyer will be addressed. The scope of the report and any limitations or disclaimers should also be examined. An appraiser is not a home inspector.

Question 17: What are the different water tests?

Answer: Standard water test kits include several different options for testing a property's water supply. The testing lab can screen the sample for as little or as much as they are directed to do. The cost will vary depending on what tests they are required to perform. Water can be determined to be "drinkable" but still contain elements that cause odors, coloration, staining of fixtures or laundry and taste problems. In addition, governmental authorities are warning about possible health issues resulting from the presence of elements such as radon, lead and arsenic in the water supply. Buyers should think carefully about the types of tests they want performed on the property's water supply and not simply rely on the standard tests performed at the request of a lender.

Question 18: How much is too much arsenic in water and wood?

Answer: When well water is tested for arsenic, the testing lab will often report how much is present as the number of milligrams of arsenic per liter of water (a liter is about a quart). Shorthand for milligrams per liter is "mg/L." The standard is adopted by the U.S. Environmental Protection Agency to protect the water quality of public water systems. The Maine Center for Disease Control (formerly Bureau of Health) has created brochures explaining arsenic in water and arsenic in wood – *Arsenic in Well Water Brochure* and *Fact Sheet: Arsenic Treated Wood*. Sellers must provide these brochures to buyers. Those can be found on the Internet at <http://www.maine.gov/dhhs>, then search for “arsenic”.

Question 19: What can I do if my water has high arsenic levels?

Answer: If the arsenic level in your water is greater than their standard, the Maine Center for Disease Control recommends that you stop using your well water for drinking and preparing food. Bottled water can be used for these purposes as a quick way to decrease the amount of arsenic getting into your body. Arsenic is rather quickly removed from your body. Most of the arsenic in your body will be gone several days after stopping use of water for drinking and cooking. Do not attempt to remove arsenic from water by boiling.

Which treatment system or combined systems are best for you will depend on several factors, such as: 1) how high your arsenic water levels are and therefore how much needs to be removed; 2) whether you want to treat all water coming into the house or just water at one or two sinks; and 3) the chemistry of your water - some treatment systems do not remove certain forms of arsenic very well. Cost of systems can range from \$500 to \$3000 dollars. A water treatment specialist should always be consulted prior to buying a water treatment system; and always retest your water after installing a new system to make sure the arsenic has been removed.

Question 20: What is radon?

Answer: Radon is an invisible and odorless gaseous radioactive element. Real estate licensees are not generally qualified to advise purchasers on radon or its health or safety risks. Obtain the services of a qualified and experienced professional to conduct inspections and tests regarding radon.

Question 21: What is asbestos?

Answer: Asbestos is a common form of magnesium silicate which was used in various construction products due to its stability and resistance to fire. Asbestos exposure (caused by inhaling loose asbestos fibers) is associated with various forms of lung disease. Real estate licensees are not generally qualified to advise purchasers on asbestos or its health or safety risks. Obtain the services of a qualified and experienced professional to conduct inspections and tests regarding asbestos.

Question 22: What are the lead paint disclosure requirements?

Answer: The Residential Lead-Based Paint Hazard Reduction Act of 1992 requires the disclosure of known information on lead-based paint and lead-based paint hazards before the sale or lease of most residential housing built before 1978. The disclosure obligations of this law must be met before ratification of a contract for sale or lease. The requirements can be summarized as follows:

- Sellers and landlords must disclose known lead-based paint and lead-based paint hazards and provide available reports to buyers and tenants.
- Sellers and landlords must give buyers and renters a pamphlet published by HUD/EPA entitled *"Protect Your Family From Lead in Your Home"*.
- Homebuyers will get a 10-day period to conduct a lead-based paint inspection or risk assessment at their own expense, if desired. The number of days can be changed by mutual consent.
- Sales contracts and leasing arrangements must include certain federal and state mandatory lead warning statements to ensure that disclosure and notification actually took place.

Failure to comply with these laws can result in fines, penalties and significant civil liability.

Question 23: What is an Energy Audit and Why is it Important?

Answer: An energy audit is an in-depth inspection and assessment, by a trained auditor, of the energy systems and uses within a home. Among the factors considered are heating and cooling, windows, doors, insulation, appliances, and lighting. The resulting report contains a wealth of information about the dwelling's energy use at the time of the audit. However, perhaps even more useful and important is the information in the report that details the improvements that can be made to a residence to increase its energy efficiency. There are many certified energy auditors in the State. A list is available on-line at mainehousing.org, as well other energy related sites.

Question 24: What is the difference between a survey and a mortgage loan inspection?

Answer: A mortgage loan inspection is not a survey. It is a land surveyor's professional opinion, based only on limited information, of the location of the property's improvements relative to the apparent boundary lines of the properties. The purpose of the mortgage loan inspection is to determine the absence of any obvious boundary problems so that the title insurer can provide boundary title insurance coverage for the lender. It is prepared for the lender and its title insurer, not the property owner. If the property owner wants to determine the boundaries of the property, a full boundary survey would be needed. With a full boundary survey, a land surveyor is certifying what the actual boundaries are, as opposed to a mortgage loan inspection where the land surveyor is only making a limited certification as to what the boundaries appear to be.

Question 25: What is title insurance and should I purchase it?

Answer: In most residential transactions in Maine, the title to the property is reviewed by a lawyer and certified to the lender. In many cases, the lender also receives a title insurance policy. The homebuyer, however, often leaves the closing with no protection against title problems except the option of going after their seller under the warranty covenants in their deed. The other available option is to purchase an owner's title insurance policy. For a small, one-time premium, the policy protects you from actual loss resulting from risks covered by the policy, up to the amount of the policy. It will also pay for legal fees in the event your title is challenged. It will provide protection for you and your heirs forever, even after you sell the property if you should ever be sued on the warranty covenants in your deed. An owner's policy does not cover you for everything, however. There are standard exceptions and there may also be specific exceptions based on the title search done for your property. You should carefully review the title insurance commitment before closing to avoid surprises later.

Question 26: What are the protected classes in Maine?

Answer: Federal and State laws require that properties be offered for sale or lease without regard to race, color, religion, sex, handicap/disability, familial status (families with children), ancestry, sexual orientation or national origin. In addition, licensees may not ask or answer questions related to AIDS.

Question 27: What do I need to know about Mold?

Answer: The Centers for Disease Control (CDC) has developed FAQ's about molds available at: <http://www.cdc.gov/mold/stachy.htm> The information below was excerpted from that document.

Q 1. I heard about toxic molds that grow in homes and other buildings. Should I be concerned about a serious health risk to me and my family?

A. The hazards presented by molds that may contain mycotoxins should be considered the same as other common molds which can grow in your house. There is always a little mold everywhere - in the air and on many surfaces. There are very few case reports that toxic molds (those containing certain mycotoxins) inside homes can cause unique or rare, health conditions such as pulmonary hemorrhage or memory loss. These case reports are rare, and a causal link between the presence of the toxic mold and these conditions has not been proven. A common-sense approach should be used for any mold contamination existing inside buildings and homes. The common health concerns from molds include hay-fever like allergic symptoms. Certain individuals with chronic respiratory disease (chronic obstructive pulmonary disorder, asthma) may experience difficulty breathing. Individuals with immune suppressions may be at increased risk for infection from molds. If you or your family members have these conditions, a qualified medical clinician should be consulted for diagnosis and treatment. For the most part, one should take routine measures to prevent mold growth in the home.

Q2. How do molds get in the indoor environment and how do they grow?

A. Molds naturally grow in the indoor environment. Mold spores may also enter your house through open doorways, windows, heating, ventilation, and air conditioning systems. Spores in the air outside also attach themselves to people and animals, making clothing, shoes, bags, and pets convenient vehicles for carrying mold indoors. When mold spores drop on places where there is excessive moisture, such as where leakage may have occurred in roofs, pipes, walls, plant pots, or where there has been flooding, they will grow. Many building materials provide suitable nutrients that encourage mold to grow. Wet cellulose materials, including paper and paper products, cardboard, ceiling tiles, wood, and wood products, are particularly conducive for the growth of some molds. Other materials such as dust, paints, wallpaper, insulation materials, drywall, carpet, fabric, and upholstery, commonly support mold growth.

Q3. How do you get the molds out of buildings, including homes, schools and places of employment?

A. In most cases mold can be removed by a thorough cleaning with bleach and water. If you have an extensive amount of mold and you do not think you can manage the cleanup on your own, you may want to contact a professional who has experience in cleaning mold in buildings and homes.

Q4. How do you keep mold out of buildings and homes?

A. As part of routine building maintenance, buildings should be inspected for evidence of water damage and visible mold. The conditions causing mold (such as water leaks, condensation, infiltration, or flooding) should be corrected to prevent mold from growing.

Specific Recommendations: a) Keep humidity level in house below **50%**; b) Use air conditioning or a dehumidifier during humid months; c) Be sure home has adequate ventilation, including exhaust fans in kitchen and bathrooms; d) Use mold inhibitors which can be added to paints; e) Clean bathroom with mold killing products; f) Do not carpet bathrooms; g) Remove and replace flooded carpets.

Question 28: If I am planning to put in a new driveway or entrance onto a state road what do I need to know?

Answer: There are standards for getting permits for the construction and maintenance of entrances onto any state highway or state aid highway. The Maine Department of Transportation (MDOT) was given authority to limit the number, spacing, design, location and construction of driveways and entrances onto state highways in order to maintain existing posted speeds and ensure safe travel. Given the increased sight distances and driveway separation requirements, lot owners who anticipate accessing onto state highways may have difficulty getting permits even though their parcel satisfies the town's minimum lot size and minimum road frontage requirements. The availability of the access permit should be explored early on in the development process. For further information on these rules, contact DOT at (207) 624-3600 or the MDOT website at www.maine.gov/mdot/ppp/accessmgmt/realestate.htm.

Question 29: How can insurance availability/affordability affect the real estate transaction?

Answer: The affordability and availability of insurance affects both buyers and sellers. Buyers will typically be obtaining mortgage financing to pay the purchase price of the property. The lender will require that there be property insurance to cover their interest in the property. If proof of insurance is not available at closing the lender will likely refuse to release the funds and therefore delay or even derail the transaction, either of which can impose both inconvenience and cost to both the buyer and seller. Even in a "cash" transaction the buyer may be hesitant to complete a transaction where insurance is not available to cover the buyer's equity in the property.

Question 30: At what point in a transaction should I apply for homeowner's insurance?

Answer: You should apply immediately after a contract has been accepted. Due to changes in the insurance industry, you may experience difficulty in securing homeowners insurance. Various issues including multi-family properties, rentals, island/coastal, homes with 60 AMPs, diving boards, vicious dogs (including mixed breeds), trampolines, age of home/roof, and a wide range of systems areas including the roof, wiring and heating systems - and others could be problematic from an insurance standpoint. In addition, the insurance industry has access to a database named CLUE that tracks historical information on claims made by an insured or on specific property. Properties with a claims history will be problematic for future buyers. In addition, some vendors are now using credit scoring, bad pay on prior policies, bankruptcy, and history of filing claims as additional underwriting tools. Starting the insurance process early may ensure ability to provide adequate time for addressing any area of difficulty that may arise with insurers.

Question 31: Is a chimney inspection recommended?

Answer: The National Fire Protection Association, a private association that drafts codes for fire safety, recommends conducting a "Level II" inspection of the chimney. A Level II inspection is a comprehensive inspection including all accessible portions of the chimney, inspection of the chimney, particularly if a chimney fire has occurred or a new heating system/source has been added and an inspection has not been conducted. It includes areas within accessible attics, crawl spaces and basements and accessible portions of appliance and chimney connections which include inspection by video scanning or other means of inspection. Home inspectors, chimney cleaning companies and installers of solid fuel-burning appliances (woodstoves, gas inserts, etc.) may have inspectors available who are familiar with the NFPA Standard for Level II inspections. The State Fire Marshal's Office's web site is www.state.me.us/dps/fmo/index.htm or contact (207) 626-3880.

Question 32: What are the requirements of Maine's Smoke and Carbon Monoxide Detector Law in the purchase of a home?

Answer: Maine law requires that owners of a single-family dwelling built after January 1982, to properly install smoke detectors, if not already present, in areas as designated in the manufacturers requirements. Owners of a single family dwelling in which a restoration or addition was made after September 19, 1985 must install smoke detectors, if they are not already present, even if it was built prior to 1982. Smoke detectors are to be installed in a building converted to a single-family occupancy after September 19, 1985 if they are not already present. The purchaser of a single-family or multi-family dwelling(s) must certify that they shall properly install smoke detectors in the building, if not already present, within 30 days of acquisition or occupancy of the dwelling(s), whichever is later.

At present, unless a single-family dwelling had done an addition or restoration to the dwelling adding one bedroom after September 12, 2009, or had converted another structure over to a single family dwelling after September 12, 2009, they do not have to install a carbon monoxide detector. It is recommended that carbon monoxide detectors be installed in these occupancies. The purchaser of a single-family or multi-family dwelling(s) must certify that they shall properly install carbon monoxide detectors in the building, if not already present, within 30 days of acquisition or occupancy of the dwelling(s), whichever is later. This includes single-family dwellings in which the previous owner did not have to, by law, install a carbon monoxide detector.

Question 33: Smoke Detectors: What kind and how many?

Answer: A smoke detector installed within 20 feet of a bathroom or kitchen must be a photo electric type detector but smoke detectors in bedrooms may be ionization type detectors. Smoke detectors are to be installed in each unit of an apartment building. All rental units are to install smoke detectors. This includes single-family dwellings rented on a seasonal basis for a week, two weeks, a month, etc.

Question 34: Carbon Monoxide Detectors: What kind and how many?

Answer: Carbon monoxide detectors must be powered by the electrical service in the building by plugging them in a wall outlet or by having them hardwired in by an electrician. In either case, the detector must have a battery backup as an alternative source of power in the event the building loses electrical service.

Single-family dwellings along with all rental units, including apartments and seasonally rented single-family dwellings are to install CO detectors in each area within, or giving access to, the bedrooms. This means you can put one in each bedroom or in the hallway or room in which a person travels through to reach a bedroom(s). It is strongly recommended that no CO detector be placed in excess of 15 feet of any bedroom door.

Question 35: Why is mediation referenced in the contract?

Answer: Mediation is a way to resolve contractual disputes without litigation. It can save the expense and time involved with litigation, and allows the parties to discuss potential ways to resolve a dispute with the assistance of a trained, professional mediator. While the parties do agree to participate in a mediation, they are not bound to agree to a resolution as part of that mediation. Parties may go to court if mediation is not successful. The process for mediation is outlined on the MAR website at <http://www.mainerealtors.com>, under Documents You Ask For.

Question 36: What is a significant wildlife habitat?

Answer: The State of Maine set up protections for valuable waterfowl and wading bird habitat and shorebird feeding and roosting areas under the Natural Resources Protection Act (NRPA). The Maine Department of Inland Fisheries and Wildlife (DIF&W) identified inland waterfowl and wading bird habitats throughout the state as having "high to moderate value." These habitats are comprised of a complex of freshwater wetland and open water areas plus a 250 foot wide area surrounding the complex where the birds nest (Note: on great

ponds, only the upland area that is within the 250 feet of the freshwater wetland is included as part of the habitat). This means there is a 250 foot zone around waterfowl and wading bird habitats (as described above) that require either a Permit By Rule (PBR) through the Maine Department of Environmental Protection (DEP) for activities in existing developed areas, or if not previously developed a landowner must apply for a full individual NRPA permit through DEP. DIF&W has identified essential “staging area” habitats (where the birds feed and rest) where concentrations of shorebirds congregate during migration periods. The shorebird feeding area includes the intertidal area used for feeding and a 100 foot buffer area which is measured from the edge of the coastal wetland, and includes nearby upland areas. The shorebird roosting area includes the intertidal area used for feeding, the roosting area, and a 250 foot buffer area which is measured from the edge of the roosting area, and includes nearby upland areas. Like the inland waterfowl and wading bird habitats, activities in the shorebird feeding (100 foot area) and roosting areas (250 foot area) require either a PBR for activities in an existing developed area, or if not previously developed a landowner must apply for a full individual NRPA permit through DEP. DIF&W has also identified certain intertidal areas along the coast as high or moderate value to waterfowl and wading birds. This tidal habitat is limited to the identified tidal habitat area and is located within the coastal wetland, which was previously regulated as a protected natural resource under NRPA.

Question 37: How do you know if your property contains a significant wildlife habitat?

Answer: DEP and MDIF&W have produced screening maps (available at www.maine.gov/dep under keyword “birds”) for each organized municipal jurisdiction; however, these are not exact maps down to each lot of land within a municipality. For a specific lot to be identified as having or not having a significant wildlife habitat a site-specific assessment by DEP is recommended. Call DEP at 207.287.3901 to request a site assessment.

Question 38: What kinds of activities are regulated within each habitat?

Answer: The following regulated activities in a Significant Wildlife Habitat require a permit: Dredging, bulldozing, removing or displacing soil, sand, vegetation or other materials; Draining or otherwise dewatering the habitat; Filling; or Any construction, repair or alteration of any permanent structure.

Question 39: What about cutting or removing vegetation in a shorebird habitat?

Answer: In a shorebird feeding area cutting or removal of vegetation is prohibited except when it meets the same vegetative screening standards that apply under Shoreland Zoning within 75 feet of a coastal wetland 2 (as detailed in DEP's Shoreland Zoning guidelines, Chapter 1000, which are available at www.maine.gov/dep under keyword “shoreland zoning”). These standards are applied to the entire 100-foot feeding area buffer. And cutting or removal determined necessary by DEP in order to conduct other activities approved by DEP that are done in accordance with NRPA standards such as avoidance, minimization, and no unreasonable impact. In a shorebird roosting area all cutting or removal of vegetation must be done in consultation with DIF&W. The only allowable instances are for the removal of a safety hazard, cutting to allow a meandering footpath no more than 6 feet wide that does not create a cleared line of sight to the water, and cutting or removal determined necessary by DEP in order to conduct other activities approved by DEP that are done in accordance with NRPA standards such as avoidance, minimization, and no unreasonable impact. The DEP may not approve cutting to create a view unless DEP determines that there will be no unreasonable impact on the habitat.

Question 40: What is a vernal pool, why are they important, and what happens if I have one on my property?

Answer: Vernal pools are shallow depressions that usually contain water for only part of the year. Vernal pools serve as essential breeding habitat for certain species of wildlife, including wood frogs, spotted and blue-spotted salamanders and fairy shrimp. Loss of vernal pools and the habitats around them can lead to a decrease in certain species. Vernal pools with high value for wildlife are called "significant vernal pools" and are protected by law under the Natural Resources Protection Act (NRPA). An activity in, on, or over these areas must avoid unreasonable impacts on the significant vernal pool habitat and obtain permission from the DEP, through a Permit by Rule or individual NRPA approval. For more info on NRPA, copy of the rules addressing significant vernal pools, application forms and related materials, go to: <http://www.maine.gov/dep/blwq/docstand/nrpa/vernalpools/>

Question 41: What are the requirements for a property located in a coastal shoreland zone?

Answer: For many years, sellers of property that have subsurface waste water disposal systems located in a shoreland zone have had to certify whether the system has malfunctioned within 180 days of closing. This law has been expanded to impose additional requirements for properties located in a coastal shoreland zone. For any property that has a subsurface waste water disposal system located in a coastal shoreland zone, the buyer is required to have the system inspected by a certified inspector prior to purchase or, if impossible due to weather conditions, within nine months after transfer unless: a) the system was installed in compliance with current rules and regulations within three years prior to closing; b) the seller has had an inspection done within three years prior to closing; or c) the buyer certifies to the local plumbing inspector that they will be replacing the system within one year of closing. If the seller has had an inspection done within the prior three year period they are required to provide it to the buyer. If an inspection is required and it finds that the system is malfunctioning, it must be repaired or replaced within one year of closing. Commonly asked: (1) What triggers application of the new requirements? The trigger is the system being located in the coastal shoreland zone, not the property or the residence. (2) What is a coastal shoreland zone? An area within 250 feet of the normal high-water line of any saltwater body or within 250 feet of the upland edge of a coastal wetland. Coastal wetlands include all tidal and subtidal lands, all lands with vegetation present that is tolerant of salt water and occurs primarily in a saltwater or estuarine habitat, and any swamp, marsh, bog, beach, flat or other contiguous low land that is subject to tidal action during the highest tide level for the year. Coastal wetlands may include portions of coastal sand dunes. (3) Who is eligible to do the inspection? Inspections have to be done by "certified" inspectors. The Division of Environmental Health within DHHS maintains a "List of Certified Septic System Inspectors" which is available online at www.maine.gov/dhhs/eng/plumb/lists.htm. (4) Is there any reporting requirement? There is no filing or reporting requirement imposed on the buyer or the inspector.

Question 42: What is the "Registration of Farmland Act" and what impact can it have on abutting properties?

Answer: The Registration of Farmland Act is a state law originally passed in 1989 allowing farmers to register their farmland (parcels of 5 or more acres meeting certain minimum annual income thresholds) and provide notice of that registration to owners of abutting land (parcels larger than 1 acre that were located within 100 feet of the registered farmland). Once notified, the owner of the abutting land could not construct a residence or put in a well within 100 feet of the farmland. Very few farms registered during the original 1990/1991 registration period. In 2012, the Legislature amended the Act to re-open the registration process on an on-going basis any time after July 1, 2012. These new registrations will be effective for only 5 years but can be renewed for additional 5-year periods (with new notification to abutters). Original 1990/1991 registrations will expire April 1, 2013 but can be renewed for additional 5-year periods the same as new registrations. For new registrations, notice must be provided to owners of abutting land within 50 feet of the registered farmland and, once notified, the only prohibition for the owner of the abutting land is that no well can be placed within 50 feet of the registered farmland. The registrations will be recorded in the Registry of Deeds and will be binding on subsequent owners of the abutting land.

CONCLUSION

Selling or purchasing a property is an important step in one's life. All parties involved play a role in obtaining the information to make informed decisions regarding the property. It is critical that the buyer and seller actively participate in this process to ensure that their needs are addressed.

Professional Associations and Governmental Agencies

Note: Information about the following organizations was correct at the date of publication, but is subject to change.

State of Maine website for all departments and licensing divisions - <http://www.maine.gov>

American Society of Home Inspectors, Northern New England Chapter: (603) 361-4643

Association of Engineering Geologists, New England Chapter: <http://www.aegne.org/officers.html>

Maine Center for Disease Control, Division of Environmental Health, Childhood Lead Poison Prevention Program, - (207) 287-4311: 11 State House Station, Augusta, ME 04333

Maine Bureau of Health, Indoor Air Quality (Radon, Asbestos) - (207) 287-5676: Drinking Water Program (Arsenic) - (207) 441-5324 Mold: (207) 287-4397 <http://www.maine.gov/dhs/ehu/air/>

Maine DEP (vernal pools) - <http://www.maine.gov/dep/water/wetlands/vernal.htm>

Maine Department of Public Safety, State Bureau of Identification (Sex Offender Register) - (207) 624-7240 - <http://sor.informe.org/sor>

Maine Indoor Air Quality Council (Mold): (207) 626-8115 <http://www.maineindoorair.org>

Maine Municipal Association - (207) 623-8428 - 60 Community Drive, Augusta, ME 04330 - <http://www.memun.org>

Maine State Board for Licensure of Architects, Landscape Architects and Interior Design - (207) 624-8603 - State House Station #35, Augusta, ME 04333

Maine State Board of Certification for Geologists and Soil Scientists - (207) 624-8603, State House Station #35, Augusta, ME 04333

Maine State Board of Licensure for Professional Land Surveyors - (207) 624-8603

Maine State Board of Real Estate Appraisers - (207) 624-8603 - State House Station #35, Augusta, ME 04333 - <http://www.state.me.us/pfr/professionallicensing/professions/appraisers>

Maine State Board of Registration for Professional Engineers - (207) 287-3236 - 92 State House Station, Augusta, ME 04333 - <http://www.maine.gov/professionalengineers/>

Maine State Certified Lead Inspectors list - (207) 287-2651 - 17 State House Station, Augusta, ME 04333 - <http://www.maine.gov/dep/waste/lead/documents/leadinspectors.pdf>

Maine Water Utilities Association - (207) 623-9511 150 Capitol Street Suite 5 Augusta, ME 04330

National Association of Home Inspectors - (800) 448-3942

National Lead Information Center - (800) 424-5323

U.S. Department of Housing & Urban Development, Office of Lead Based Paint Abatement & Poisoning Prevention - 451 7th Street, Room B 133, SW, Washington, DC 20410 - (202) 755-1785

U.S. Environmental Protection Agency New England - General Information Number - (888) 372-7341

U.S. Environmental Protection Agency - <http://www.epa.gov/epahome/comments.htm>

Chimney Sweeps – http://www.maine.gov/dps/fmo/documents/Chimneysweeps_002.doc. Chimney Safety Institute of America - <http://www.csia.org/homeowners.htm>

State Fire Marshal's Office - (207) 626-3880 - <http://www.maine.gov/dps/fmo/index.htm>

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