



SELLER'S DISCLOSURE OF REAL PROPERTY CONDITION REPORT VACANT LAND ZONED FOR RESIDENTIAL USE ONLY

State of Delaware

Approved by the Delaware Real Estate Commission (Effective Date: August 1, 2025)

Seller(s) Name: Key Properties Group LLC

Property Address: 26 lots in Majestic Meadows, Milton, DE 19968

Lot #3

Date Purchased: _____

Chapter 25, Title 6 of the Delaware Code, requires a Seller of vacant land zoned for residential use, and marketed as appropriate for the construction of a dwelling for 1-4 families, to disclose in writing all material defects of the property that are known at the time the property is offered for sale or that are known prior to the time of final settlement. The disclosure must be made on this Report, which has been approved by the Delaware Real Estate Commission and shall be updated as necessary for any material changes occurring in the property before final settlement. This Report shall be given to all prospective Buyers prior to the time the Buyer makes an offer to purchase. This Report, signed by Buyer and Seller, shall become a part of the Agreement of Sale. This Report is a good faith effort by the Seller to make the disclosures required by Delaware law and is not a warranty of any kind by the Seller or any Agents or Sub-Agents representing Seller or Buyer in the transfer and is not a substitute for any inspections or warranties that the Seller or Buyer may wish to obtain. The Buyer has no cause of action against the Seller or Real Estate Agent for material defects in the property disclosed to the Buyer prior to the Buyer making an offer; material defects developed after the offer was made but disclosed in an update of this Report prior to settlement, provided Seller has complied with the Agreement of Sale; or material defects which occur after settlement.

Seller shall answer all the following questions based on Seller's knowledge of the property.

Yes	No	*	
			* Write in U if Unknown or NA if Not Applicable, otherwise mark either the Yes or No column. Where selections are requested, place a check mark next to each correct answer or fill in the correct answer. Certain answers require a further explanation in Section VIII. Seller shall answer all the following questions based on Seller's knowledge of property.
			I. LEASE, OPTION, OR FIRST REFUSAL
	☒		1. Is the property encumbered by a (☐ rental/lease), (☐ option to purchase), or (☐ right of first refusal)? If yes, describe in VIII.
			II. DEED RESTRICTIONS, HOMEOWNERS ASSOCIATIONS/CONDOMINIUMS AND CO-OPS
☒			2. Is the property subject to any deed restrictions? (e.g., HOA/condominium restrictions, rental restrictions, pet restrictions, fence requirements, etc.) If yes, describe in VIII.
	☒		3. Is the property part of a condominium or cooperative (Co-op) ownership?
			4. If #3 is yes, Seller warrants that the property (☐ is) or (☐ is not) exempt from providing the buyer with a Public Offering Statement as described in §81-401 or §81-403(b) of Chapter 81, Title 25 of the Delaware Code, The Delaware Uniform Common Interest Ownership Act. If exempt, in compliance with §317A of Chapter 3, Title 25, Seller has attached a copy of all documents in the chain of title that create any financial obligation for the buyer, and a written summary of all financial obligations created by documents in the chain of title. As evidenced by signature below, buyer has received a copy of these documents.
☒			5. Is there a (☒ Homeowners Association), (☐ Condominium Association), (☐ Cooperative (Co-op), (☐ Civic Association), or (☐ Maintenance Corporation)?
			6. If #5 is yes, are there any (☒ Fees), (☐ Dues), or (☐ Assessments) involved? If yes, how much? _____; Frequency of payments: (☐ Monthly), (☐ Quarterly), (☐ Yearly), (☐ Other: _____); Are they (☒ Mandatory) or (☐ Voluntary)?
			7. Is there a capital contribution fee due by a new owner to the Association? If yes, how much _____?

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Seller's Initials [Signature] Seller's Initials _____ Buyer's Initials _____ Buyer's Initials _____

Seller's Initials _____ Seller's Initials _____ Buyer's Initials _____ Buyer's Initials _____

Yes	No	*	
	X		8. Are there any unpaid assessments including but not limited to deferred water and sewer charges for your property? If yes, how much? _____. If yes, describe in VIII.
	X		9. Have you received written notice of any new, proposed, or board discussed increases in fees, dues, assessments, or capital contributions? If yes, describe in VIII.
	X		10. Is there any defect, damage, or problem with any common elements or common areas? If yes, describe in VIII.
X			11. Is the property subject to any private, public, or historic architectural review control other than building codes? If yes, describe in VIII.
			12. Management Company Name: _____
			13. Representative Name: _____ Phone # _____
			14. Representative E-mail Address: _____
X			15. Are you aware of any unusual bonds or assessments for improvements that apply to this property or the surrounding area? If yes, describe in VIII. <u>SCD</u>
	X		16. Is the property subject to any agreements concerning affordable housing or workforce/inclusionary housing? If yes, describe in VIII.
			17. Snow removal and deicing services are the responsibility of: <u>HOA, common roads</u>
			III. TITLE / ZONING INFORMATION
	X		18. Are you aware of any right-of-ways, easements, or similar matters that may affect the property? If yes, describe in VIII.
			19. Are you aware of any shared maintenance agreements affecting the property? If yes, describe in VIII.
	X		20. Are you aware of any variance, zoning, conditional use, non-conforming use, or setback violations? If yes, describe in VIII.
			21. If #20 is yes, has the variance, conditional use, or non-conforming use expired or has otherwise become non-transferable? If yes, describe in VIII.
			22. Is your property owned (☒ In fee simple) or (☐ Leasehold/Ground Lease) or (☐ Cooperative)?
			23. If a Leasehold/Ground Lease, what is the current lease amount? \$ ____; Frequency of payments: (☐ Weekly), (☐ Monthly), (☐ Quarterly), (☐ Yearly), (☐ Other: _____)
			Note: May be subject to change.
			24. If a Leasehold/Ground Lease, when does it expire? _____
	X		25. Does the amount owed on your mortgages and other liens exceed the estimated value of the property?
			26. If yes, are additional funds available from Seller for settlement?
			IV. MISCELLANEOUS
	X		27. Are you aware of any existing or threatened legal action affecting this property? If yes, describe in VIII.
	X		28. Do you know of any violations of local, state, federal laws, or regulations relating to this property? If yes, describe in VIII.
			29. What is the type of trash disposal? (☒ Private) (☐ Municipal), (☐ County) or (☐ Other _____).
			30. The cost of repairing and paving the streets adjacent to the property is paid for by: ☐ The property owner(s), estimated fees: \$ _____ ☐ Delaware Department of Transportation or the State of Delaware ☐ Municipal ☒ Community/HOA ☐ Other _____ ☐ Unknown
X			Note to Buyer: Repairing and repaving of the streets can be very costly. (6 Delaware Code§ 2578)
			31. Is off street parking available for this property? If yes, number of spaces available: <u>Driveway 3</u>
			32. Have you received notice from any local, state, or federal agencies requiring repairs, alterations, or corrections of any existing conditions? If yes, describe in VIII.
			33. Have you received formal notice from any local, state, or federal agency of any changes that may materially or adversely affect the property? e.g., threat of condemnation, noise, bright lights, odors, other nuisances, zoning changes, road changes, proposed utility changes, etc. If yes to any, describe in VIII.

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Yes	No	*	
			* Write in U if Unknown or NA if Not Applicable, otherwise mark either the Yes or No column. Where selections are requested, place a check mark next to each correct answer or fill in the correct answer. Certain answers require a further explanation in Section VIII. Seller shall answer all the following questions based on Seller's knowledge of property.
			V. ENVIRONMENTAL CONCERNS
	X		34. Are you aware of any present or previous industrial underground storage tanks (UST) or toxic substances present on this property (structure or soil) such as PCB's, solvents, hydraulic fluid, petro chemicals, hazardous wastes, or others? If yes, describe in detail, including any known remediation/remedy in section VIII. Attach any available reports.
	X		35. Has the illegal manufacture, storage, or use of methamphetamines occurred on the property? If yes, describe in VIII.
	X		36. Are there now or have there been any underground storage tanks on the property? (___ Heating fuel), (___ Propane), (___ Septic), or (___ Other: _____). If yes, describe locations in VIII.
			37. If any tank was abandoned, was it done with all necessary permits and properly abandoned?
	X		38. Is there a wastewater spray irrigation system (human or agricultural) installed on or adjacent to the property?
			VI. LAND (SOILS, DRAINAGE, AND BOUNDARIES)
X			39. Is there any fill soil or other fill material on the property?
	X		40. Are there sliding, settling, earth movement, upheaval, earth stability, or methane gas release problems that have occurred on the property or in the immediate neighborhood? If yes, describe in VIII.
	X		41. Is any part of the property located in (___ a flood zone) and/or (___ a wetlands area)?
	X		42. Are there any drainage or flood problems affecting the property? If yes, describe in VIII.
	X		43. Do you know of any encroachments or boundary line disputes, affecting the property? If yes, describe in VIII.
	X		44. Are there any ditches crossing or bordering the property? If yes, describe in VIII.
			45. If #44 is yes, is it a tax ditch?
	X		46. Are there any swales crossing the property that are under the control of a Soil and Conservation District? If yes, describe in VIII.
X			47. Has the property ever been surveyed?
	X		48. Are the boundaries of the property marked in any way?
			VII. PLUMBING-RELATED ITEMS
			49. What type of sewage system is available? (___ Public Sewer), (___ Community Sewer), (X Septic System), (___ Other: _____)
			50. If a septic system, type: (___ Gravity Fed), (X Capping Fill), (___ LPP), (___ Mound), (___ Holding Tank), (___ Other: _____)
X			51. Has a site evaluation been performed on the property in the last five years? If yes, provide the evaluation.
X			52. Has a septic permit been obtained? If yes, attach the permit.
			53. What is the drinking water source? (___ Municipal), (___ County), (___ Public Utility), (X Private Well), (___ Other: _____)
			54. If drinking water is supplied by public utility, name of utility: _____
	X		55. Is there an existing well? If yes, when was it installed? _____ Location of well? _____ Depth of well? _____. If more than one well, describe in VIII.
	X		56. Are there any (___ sewer \$ _____) or (___ water \$ _____) connection charges to be paid by the buyer?
			57. Indicate which utilities are available to the property by checking below:
			☒ Electric: Provider: DEC
			☐ Natural Gas: Provider: _____
			☐ Water: Provider: _____
			☐ Sewer: Provider: _____
			☒ Media: Provider: Comcast

If you were directed to this section to clarify an answer, or if you indicated there is a problem with any of the items in sections I through VII, provide a detailed explanation below. Attach additional sheets if needed.

[illegible]

Are there additional problem, clarification, or document sheets attached? ☐ No ☐ Yes.
Number of Sheets Attached _____.

Lot 3

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ADDITIONAL NOTICES TO BUYERS

Government websites containing helpful information include: Office of State Planning Coordination <https://www.stateplanning.delaware.gov/>, Delaware Department of Natural Resources and Environmental Control <https://dnrec.alpha.delaware.gov/>, Delaware Division of Public Health www.dhss.delaware.gov/dhss/dph, Delaware State Police Sex Offender Registry <https://sexoffender.dsp.delaware.gov>, Federal Community Flood Maps <https://msc.fema.gov/portal/home>, and other agencies listed on www.delaware.gov.

All properties are part of larger surrounding areas. Buyers are advised to research Federal, State, and local governmental agencies' websites to become familiar with future anticipated development, global changes, climate changes, tax assessments, and other similar things that may affect the property in the future.

Square Footage: There are different methods of measuring used for different purposes. Acreage of the land and square footage of the buildings quoted on the real estate tax information, marketing materials, advertisements, brochures, MLS data, or appraisal, is only approximate, is not guaranteed, and should not be relied upon.

Tax System Data: Property data, square footage, characteristics, and building permit information in government real estate tax systems may not be accurate and should not be relied upon by sellers and buyers. It can be very difficult to research building permit information.

Additional information for specific sections is listed below:

II. DEED RESTRICTIONS, HOMEOWNERS ASSOCIATIONS/CONDOMINIUMS AND CO-OPS

- Deed restrictions are provisions in a deed or declaration that limit the use of the property. With some exceptions, restrictions cannot be removed by the owner.
- If the property is within an "association", request further information to learn of the covenants and restrictions that the property is subject to.
- More information may be found from Delaware's Common Interest Community Ombudsperson. Learn more at <https://attorneygeneral.delaware.gov/fraud/cpu/ombudsperson/>.

IV. MISCELLANEOUS

- Check HOA/local requirements concerning responsibility for sidewalk installation, replacement, repair, and snow removal.
- Delaware requires each county to reassess the value of real property on a regular basis. Learn more from the county tax office where the property is located.

VI. LAND (SOILS, DRAINAGE, AND BOUNDARIES)

- **Flood Zone:** Public and/or private flood insurance options exist for most properties even if property is not in a high-risk flood zone. Inquire about options with a qualified insurance agent. More information may be found at the Delaware Department of Insurance.
- **Flood Risk:** Due to location and elevation, particularly with river and coastal communities, the property and surrounding areas may experience flooding from rising sea levels and stronger storms, both now and in the future. Learn more at <https://floodplanning.dnrec.delaware.gov/>. In addition to state regulations, local municipalities may have additional floodplain management rules for property improvements. Contact the local municipality directly to find out about any specific requirements.
- **Wetlands Area:** There are both tidal and non-tidal wetlands. The property may be subject to additional governmental oversight. Inquire further through programs like Delaware Wetlands of the Delaware Department of Natural Resources and Environmental Control.

VII. PLUMBING-RELATED ITEMS

- Learn more about private well and public water testing from the Delaware Division of Public Health's Office of Drinking Water.

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ACKNOWLEDGMENT OF SELLER

Seller has provided the information contained in this report. This information is to the best of Seller's knowledge and belief is complete, true, and accurate. Seller has no knowledge, information, or other reason to believe that any defects or problems with the property have been disclosed to, or discussed with, any Real Estate Agent or Broker involved in the sale of this property, other than those set forth in this report. Seller does hereby indemnify and hold harmless any Real Estate Agent involved in the sale of this property from any liability incurred as a result of any third-party reliance on the disclosures contained herein, or on any subsequent amendment hereto. Seller's Broker and / or Cooperating Broker, if any, is / are hereby authorized to furnish this report to any prospective Buyer. This is a legally binding document. If not understood, an attorney should be consulted.

SELLER *[Signature]* Date 7/8/20 SELLER _____ Date _____
Key Properties Group LLC
SELLER _____ Date _____ SELLER _____ Date _____

Date the contents of this Report were last updated: _____

ACKNOWLEDGMENT OF BUYER

Buyer is relying upon the above report, and statements within the Agreement of Sale, as the representation of the condition of the property, along with construction specifications from Seller and is not relying upon any other information about the property. Buyer acknowledges that Agents are not experts at detecting or repairing physical defects in property. Buyer acknowledges Seller has completed this form based upon their knowledge of the property. Buyer understands there may be areas of the property of which Seller has no knowledge and this report does not encompass those areas. Buyer has received and read a signed copy of this report. Buyer may negotiate in the Agreement of Sale for other professional advice and/or inspections of the property. Buyer understands there may be projects either planned or being undertaken by the State, County, or Local Municipality which may affect this property of which the Seller has no knowledge. Buyer further understands that it is Buyer's responsibility to contact the appropriate agencies to determine whether any such projects are planned or underway. If Buyer does not understand the impact of such project(s) on the property being purchased, Buyer should consult with an Attorney. Buyer understands that before signing an Agreement of Sale, Buyer may review the applicable Master Plan or Comprehensive Land Use Plan for the County and/or appropriate City or Town Plans showing planned land uses, zoning, roads, highways, locations, and nature of current or proposed parks and other public facilities. This is a legally binding document. If not understood, an attorney should be consulted.

BUYER _____ Date _____ BUYER _____ Date _____
BUYER _____ Date _____ BUYER _____ Date _____