

BROKER'S DISCLOSURE ADDENDUM TO AGREEMENT OF SALE

BDA

This form recommended and approved for, but not restricted to use by, the members of the Pennsylvania Association of REALTORS® (PAR).

BROKER _____
PROPERTY _____

BUYER

SELLER

DATE OF AGREEMENT _____

1. PURPOSE

The Real Estate Licensing and Registration Act requires that brokers disclose specific information in a sales agreement in the manner and method established by the State Real Estate Commission. This Addendum has been prepared to assure Broker's compliance with the Act and the Rules and Regulations of the Commission.

2. DEPOSIT AND RECOVERY FUND

- (A) Deposits, regardless of the form of payment and the person designated as payee, will be paid to Broker or party identified in the Agreement of Sale, who will retain them in an escrow account until consummation or termination of the Agreement in conformity with all applicable laws and regulations. Any uncashed check tendered as deposit may be held pending the acceptance of this offer.
- (B) In the event of a dispute over entitlement to deposit monies, a broker holding the deposit is required by the Rules and Regulations of the State Real Estate Commission (49 Pa. Code §35.327) to retain the monies in escrow until the dispute is resolved. In the event of litigation for the return of deposit monies, a broker will distribute the monies as directed by a final order of court or the written agreement of the parties. Buyer and Seller agree that, in the event any broker or affiliated licensee is joined in litigation for the return of deposit monies, the attorneys' fees and costs of the broker(s) and licensee(s) will be paid by the party joining them.
- (C) A Real Estate Recovery Fund exists to reimburse any persons who have obtained a final civil judgment against a Pennsylvania real estate licensee owing to fraud, misrepresentation, or deceit in a real estate transaction and who have been unable to collect the judgment after exhausting all legal and equitable remedies. For complete details about the Fund, call (717) 783-3658, or (800) 822-2113 (within Pennsylvania) and (717) 783-4854 (outside Pennsylvania). 63 P.S. §608.2(2).

3. AGENCY RELATIONSHIP

- (A) Buyer and Seller have received and understand the Consumer Notice adopted by the State Real Estate Commission at 49 Pa. Code §35.336. The definitions of business relationships and the duties required of licensees as set forth in the Notice are incorporated here as though recited at length.
- (B) Buyer and Seller further acknowledge that Broker has served as a Seller Agent Buyer Agent Dual Agent. Seller and Buyer agree that Broker has provided services in a manner consistent with the description of services and duties identified in the Consumer Notice. 63 P.S. §608.2(1).

4. ZONING CLASSIFICATION _____

Failure of the Agreement of Sale to contain the zoning classification (except in cases where the property {and each parcel thereof, if subdividable} is zoned solely or primarily to permit single-family dwellings) will render the Agreement voidable at the option of the Buyer, and, if voided, any deposits tendered by the Buyer will be returned to the Buyer without any requirement for court action. 63 P.S. §608.2(3).

5. HIGHWAY OCCUPANCY PERMIT

Buyer is advised that access to a public road may require issuance of a highway occupancy permit from the Department of Transportation. 63 P.S. §608.2(4).

ADDITIONAL PROVISIONS

6. RELEASE

Buyer hereby releases, quit claims and forever discharges SELLER, ALL BROKERS, their LICENSEES, EMPLOYEES, and any OFFICER or PARTNER of any one of them and any other PERSON, FIRM, or CORPORATION who may be liable by or through them, from any and all claims, losses or demands, including, but not limited to, personal injuries and property damage and all of the consequences thereof, whether now known or not, which may arise from the presence of termites or other wood-boring insects, radon, lead-based paint hazards, environmental hazards, any defects in the individual on-lot sewage disposal system or deficiencies in the on-site water service system, or any defects or conditions on the Property. This release will survive settlement.

7. REPRESENTATIONS

PREPARED BY: Jess Rahn, staff

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Buyer(s) _____

- (A) Buyer understands that any representations, claims, advertising, promotional activities, brochures or plans of any kind made by Seller, Brokers, their licensees, employees, officers, or partners are not a part of the Agreement of Sale unless expressly incorporated or stated in the Agreement.
- (B) **It is understood that Buyer has inspected the Property before signing the Agreement of Sale (including fixtures and any personal property specifically scheduled herein), or has waived the right to do so, and has agreed to purchase it in its present condition unless otherwise stated in the Agreement. Buyer acknowledges that Brokers, their licensees, employees, officers or partners have not made an independent examination or determination of the structural soundness of the Property, the age or condition of the components, environmental conditions, the permitted uses, or of conditions existing in the locale where the Property is situated; nor have they made a mechanical inspection of any of the systems contained therein.**
- (C) It is further understood that the Agreement of Sale contains the whole agreement between Seller and Buyer and there are no other terms, obligations, covenants, representations, statements or conditions, oral or otherwise of any kind whatsoever concerning this sale. Furthermore, the Agreement will not be altered, amended, changed, or modified except in writing executed by the parties.

All other terms and conditions of the Agreement of Sale remain unchanged and in full effect.

WITNESS _____ BUYER _____ DATE _____

WITNESS _____ BUYER _____ DATE _____

WITNESS _____ SELLER _____ DATE _____

WITNESS _____ SELLER _____ DATE _____