

**BUYER’S ACKNOWLEDGEMENT STATEMENT**

**The Southern Land Brokers, LLC**

Post Office Box 217

Hayneville, AL 36040

|  |
| --- |
| **BUYER’S ACKNOWLEDGEMENT STATEMENT** |

**VERY IMPORTANT – PLEASE READ CAREFULLY**

This acknowledgement statement is to be completed by the Buyer(s) in reference to the property located at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_. The purpose of this statement is to help you, the Buyer(s), understand some of the frequently used terms/concepts in the purchase of residential and land real estate. Your signature(s) below indicate that these points have been discussed with you by the sales agent and that you are satisfied with the discussions and explanations.

BUYERS ACKNOWLEDGE THAT NEITHER THE REAL ESTATE AGENT NOR THE BROKER HAVE GIVEN ANY LEGAL ADVICE OR MAKES ANY REPRESENTATIONS OR WARRANTIES REGARDING THE CONDITION OR FEATURES OF THE PROPERTY. BUYERS ARE ADVISED TO INSPECT THE PROPERTY, EITHER PERSONALLY OR THROUGH OTHERS OF THE BUYERS CHOOSING, AND NOT TO RELY ON ANY VERBAL OR PRINTED DESCRIPTION OF THE PROPERTY OR THEIR REAL ESTATE AGENT’S STATEMENTS REGARDING PROPERTY CONDITION.

1. HOME INSPECTION With regard to the purchase of used homes, Buyers acknowledge that Alabama is a “caveat emptor” (buyer beware) state, which means that the burden is on you, the Buyers, to discover and determine any and all conditions of the property important to your decision to purchase the property. The Sellers and/or Seller’s Agent must disclose only those conditions which constitute a health or safety threat and are known to the Sellers and/or Sellers Agent. Therefore, it is very strongly recommended that the Buyers have the property inspected by a qualified home inspector(s) before making the decision to purchase the property.
2. HOME WARRANTY Buyers acknowledge that the Sales Agent strongly recommends the purchase of a Home Warranty from a qualified home warranty provider. Even though a typical home warranty has certain limitations, it does anticipate and cover for a limited period of time some systems important to the Buyers use of the property. The Sales Agent will aid the Buyers in attempting to require the seller to provide this home warranty. Buyers acknowledge that The Southern Land Brokers may receive a limited payment in the sale of some home warranty programs.
3. PROPERTY INSPECTION Most real estate sales contracts contain provisions that allow you, the Buyers, to inspect the property and determine your satisfaction or dissatisfaction with the property’s condition. You must be aware that often time deadlines pertain to these inspections and your obligations to respond to these inspections. Should you miss these deadlines, you may be required to purchase the property “as is” which means accepting the property with its present defects and deficiencies with no obligation on the Sellers part to correct these problems.
4. IN WORKING ORDER As it pertains to used properties, the words “in working order” with regards to the heating, cooling, plumbing and electrical systems and any built-in appliances do not obligate the Seller to repair or replace these components, but only that these items function as intended. The Seller is not obligated to repair or replace these items, unless agreeing to do so at your written request in the Sales Contract. Be aware that these components are “used” and “not new,” therefore “in working order” means that they may function less efficiently than when “new.”
5. PROFESSIONAL VENDORS One of the many services provided by your Sales Agent is the names of certain professional vendors often employed to make your real estate purchase a success. Names of several such vendors such as mortgage lenders, title and hazard insurance providers, home inspectors, termite companies, surveyors, foresters, appraisers, closing attorneys, or home repair contractors may be given to you by your Sales Agent. In no way is the Agent or The Southern Land Brokers recommending, guaranteeing or warranting their work; we are simply providing a service that you may desire and are acknowledging that we have had acceptable service from some of these vendors in past transactions. Buyers acknowledge that the Sales Agent and The Southern Land Brokers are not responsible or liable for any errors or omissions of any of these vendors or for any conditions of the property that may not be detected by inspections performed by these vendors, particularly home inspectors and contractors
6. MOLD Although mold has been present in our environment forever, recent studies have indicated that certain types of mold may be a health hazard for certain individuals. Potentially, when three elements- oxygen, water, and certain building materials come together, mold can be produced. Buyers understand that the presence of mold and its impact upon habitability of the property is your responsibility and that you will not rely on the Sales Agent for advice.
7. MEGAN’S LAW Even though some homeowners in neighborhoods may be informed of the presence of registered sex offenders who move into their neighborhoods, the Seller and Sellers Agent have no obligation to notify you, the buyers, of the presence of a sex offender. If this information is important in your decision to purchase the property, then the burden to check with proper law enforcement authorities to determine the presence of a registered sex offender fall on you, the Buyers.
8. EIFS EIFS which is an abbreviation for Exterior Insulation Finishing System has become an increasing problem in home construction synthetic stucco. You, the Buyers should absolutely have the synthetic stucco inspected by a licensed EIFS Inspector before moving forward with the purchase of the property.
9. WOOD INFESTATION Buyers acknowledge that the Wood Infestation Report provided by an authorized termite company, is usually a visual inspection of accessible areas only and usually does not guarantee the inaccessible areas are free from active termites or damage caused by active or previous termites or other wood destroying organisms.
10. SURVEY Buyers acknowledge that any representations, either verbal or written, concerning lot size, acreage, location of property lines, encroachments or easements, are not warranted to be accurate by the Sellers or the Seller’ Agent. The Southern Land Brokers recommend that the Buyers acquire a current survey from a registered Alabama land surveyor, regardless of whether or not the survey is required by the Buyers lender.
11. SQUARE FOOTAGE Buyers acknowledge that any representation, either verbal or written, concerning the square footage of any structures are estimates only and may have been taken from unreliable sources, such as tax records. The buyers are responsible for determining square footages of structures should that be important to your decision to purchase the property.
12. SEWER/SEPTIC SYSTEM Almost all waste disposal systems in this market are either public sewer systems or private septic tanks. You need to determine which system is present on the property. If on sewer, you should determine that the property is connected and that all impact fees and connection fees have been paid. If on a septic tank, you should determine if it is operational, that it should be inspected, and acknowledge that it requires periodic cleaning.
13. VARMINT INFESTATION Buyers acknowledge that homes sometime have been invaded by varmints (rodents, reptiles and insects) and that their presence and/or residue could be a deterrent to purchasing. If this is a problem for you, you should strongly consider and inspection by a pest control expert.
14. STIGMATIZED PROPERTY Buyers acknowledge that certain properties may be “stigmatized,” that is impacted by certain events which occurred on the property and had no effect on the actual construction materials of the home but may have some psychological impact on the property. Some examples are murder, suicide, and ghost. If these issues are important to your decision to purchase, then the burden of discovery falls upon you, the Buyer. Alabama Law does not require the Sellers or Sellers Agents to disclose such stigmas.
15. HAZARD INSURANCE The homeowner’s Insurance industry is relying more than ever on the CLUE (Comprehensive Loss Underwriting Exchange) report, which is a database history of claims made on many properties. If the subject property has had numerous claims against its hazard insurance carriers, the insurance rate may be higher, or the property may not be insurable at all. It is important for you, the Buyers, to anticipate this potential problem. Gather as much information as possible, and protect yourself in the Sales Contract.
16. TAXES The irregularities of tax reporting may cause some problems for you the Buyers. Even though the tax collected (tax amount collected each year) and the tax assessment (tax amount due next year) can give you amounts at the point in time, those amounts may change up until the tax deadline of October 1. Therefore the taxes as disclosed by the Seller and the Sellers Agent and reported by the taxing authority may be different than anticipated. It is important for you, the Buyer to be prepared to verify the property taxes up to closing.
17. OTHER OFFERS Buyers acknowledge that the Sellers may receive and consider offers other than the Buyers offer during the time that you are considering your offer or counteroffer. Buyers also understand that those other offers may be generated by your own Sales Agent and other Agents of The Southern Land Brokers. Buyers finally acknowledges that the Seller may withdraw any counteroffer at any time prior to delivery of your written acceptance by you and your Sales Agent to the Sellers or the Sellers Agent and to accept any offer of the Sellers choice.
18. EARNEST MONEY Buyers acknowledge that Alabama law requires the real estate broker holding your earnest money check to deposit your check immediately when your offer becomes a completed contract, unless there is a clause that states otherwise.
19. FINAL WALK-THROUGH You will be allowed and are strongly encouraged to perform a “final walk-through” of the property immediately before closing. The two-fold purpose of this inspection is to determine that the property is in the same condition as at the time of the sales contract, excluding normal wear and tear, and that all repairs and corrections to the property to be performed by the Seller, if any, are completed. The “final walk-through” is not another inspection allowing the opportunity to address new or different conditions of the property. After closing, all conditions of the property are the responsibility of the Buyers.

The final inspection was conducted on \_\_\_\_\_\_\_\_\_\_\_20\_\_\_\_.

BUYER \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ DATE\_\_\_\_\_\_\_\_\_\_\_\_\_\_

BUYER\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ DATE\_\_\_\_\_\_\_\_\_\_\_\_\_\_

SALES AGENT \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ DATE\_\_\_\_\_\_\_\_\_\_\_\_\_\_