



COMMISSION COMMENT

Spring

1997

Advertising - Are You in Compliance?

The Commission Staff has been receiving inquiries regarding advertisements which appear, for the most part, in newspapers. Therefore, it was decided that an article might be of benefit for all licensees on the entire issue of advertising.

The first and foremost requirement that deals with advertising is that: "All advertising shall be under the direct supervision of the broker and in the name the broker is conducting business as recorded with the Commission." (299 NAC 2-003)

The key here is that what the broker requires in all advertisements, "...including all forms of identification, representation, promotion and solicitation disseminated in any manner and by any means of communication to the public for any purpose related to licensed real estate activity.", is what is required of all affiliated licensees. These forms of advertising would include business cards, letterhead, newspaper/magazine advertisements, radio advertisements, television advertisements, the Internet, etc.

If the broker requires the main business telephone number on business cards, etc that is what is required. Salespersons and associate brokers must comply with any lawful requirements the broker requires. The Real Estate Commission has enacted general requirements which all licensees must follow. Brokers can institute additional advertising requirements for any advertisements appearing on behalf of the real estate firm.

What are the general requirements set forth in either the License Act or Rules and Regulations which relate to advertising in addition to 299 NAC 2-003 mentioned above? These are paraphrased and referenced to the statute or rules as follows:

1. Advertising cannot be intentionally

misleading or inaccurate in any material particular or in any way misrepresent any property, terms, values, policies, or services of the business conducted. (Neb.Rev.Stat. 81-885.24(2));

2. Licensees cannot place nor retain a sign on any property offering it for sale or rent without the written consent of the owner or his or her authorized agent. (Neb.Rev.Stat. 81-885.24(11) and 299 NAC 2-012);

3. Licensees cannot offer real estate for sale or lease without the knowledge and consent of the owner or his or her authorized agent or on terms other than those authorized by said owner or authorized agent. (Neb.Rev.Stat. 81-885.24(12));

4. Licensees cannot solicit, sell, or offer for sale real estate by offering free lots or conducting lotteries for the purpose of influencing a purchaser or prospective purchaser of real estate. (Neb.Rev.Stat. 81-885.24(17));

5. Licensees cannot place what are called "blind ads." (299 NAC 2-004). These are advertisements in which only the licensee's name or telephone number or a street address appears not the name under which the broker is conducting business and which advertisement appears to be that of a private party not engaged in real estate.

6. A licensee cannot advertise under his or her own name unless he or she is the owner of the property. When advertising own property for sale, purchase or exchange the licensee must indicate that he or she is licensed. The notification of licensed status must be made in all forms of advertisements including the "for sale" sign. (299 NAC 2-005) An exception, to the advertising disclosure of licensed status, would be if the licensee's property is listed with a broker.

Licensees still need to disclose, in writing, their licensed status to the seller or purchaser prior to that party becoming obligated to purchase or sell whether the licensee's property is listed or not, but this does not need to be disclosed in advertisements. (299 NAC 5-003.04)

One specific area of improper advertising is taking place, as far as we can ascertain, inadvertently. It appears that at least some, if not all, telephone companies offer one printed line free in the yellow pages to licensees who either buy a

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March 19-20, 1997	Lincoln
April 17-18, 1997	Omaha
May 13-14, 1997	TBA
June 18-19, 1997	TBA

COMMISSION COMMENT

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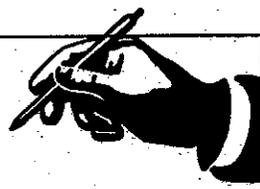
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The Nebraska Real Estate Commission often solicits articles from outside experts or reprints articles with permission. While we feel that these articles may offer a broader perspective and will be of interest to the reader, it should be remembered that the views expressed are those of the author and not necessarily those of the Commission.



From the
DIRECTOR'S DESK

Rule Hearing Scheduled

On March 19, 1997, a public hearing will be held regarding the adoption of amendments to Title 302, Chapter 1 of the Commission's rules and regulations. This Title and Chapter consist of the Seller Property Condition Disclosure Statement.

Amendments are being proposed to the narrative sections at the beginning of the document and in various headings of Parts and Sections. There are also amendments proposed to clarify specific items and to delete and add various items about which disclosure is required.

It is proposed that the effective date of the amended Disclosure Statement be October 1, 1997. This will allow for the approval process through the Attorney General's Office and the Governor's Office and will allow for camera ready copies of the new Disclosure Statement to be mailed to all independent and designated brokers for duplication.

BECAUSE ANY CHANGES MADE WILL BE EFFECTIVE OCTOBER, 1997, BROKERS SHOULD ALLOW SUPPLIES OF THE CURRENT DISCLOSURE STATEMENT TO DIMINISH SO THAT LARGE QUANTITIES OF THE CURRENT DISCLOSURE STATEMENT DO NOT HAVE TO BE DESTROYED. THE NEW DISCLOSURE STATEMENT MUST BE USED ON ANY LISTINGS TAKEN ON OR AFTER OCTOBER 1, 1997, AND ANY LISTINGS ON WHICH THERE IS NO PENDING CONTRACT WILL NEED TO HAVE THE NEW DISCLOSURE STATEMENT PROVIDED ON AND AFTER OCTOBER 1, 1997. KEEP AN EYE ON YOUR SUPPLY DURING THE SUMMER AND FALL TO SAVE ON WASTED PRINTING.

The proposed changes to the Disclosure Statement are reprinted on pages 6-11 of this issue for your reference:

The March 19, 1997 Hearing will be held at 9:30 a.m. in the Holiday Room of The Quality Inn located at 5250 Cornhusker Highway in Lincoln, Nebraska.

Questions of Lead Based Paint Disclosed

The Commission has been receiving telephone calls regarding the federal Lead Based Paint Act about which previous "Commission Comment" articles have been printed.

Licenses should understand that the Commission Office cannot interpret this federal law. We have, therefore, been referring licenses to the Housing and Urban Development (HUD) Office in Omaha for such interpretations.

We have had no feedback which would indicate that the HUD Office in Omaha has been unwilling to assist licenses with questions. Therefore, we would urge you to call the HUD Office directly and save the additional call, usually long distance, to our office. The telephone number of the HUD Office in Omaha is (402) 492-3100.

Les Tyrrell, Director Nebraska Real Estate Commission

Disciplinary Actions Taken by The Real Estate Commission

(Does Not Include Cases on Appeal)

96-019 Elizabeth Dittbrenner vs. Nancy Brown, salesperson. Stipulation and Consent Order. License suspended 30 days, from December 1, 1996 through December 30, 1996. (Violated Title 299, Chapter 2, Section 008, by failing to transmit Complainant's Offer to Purchase real estate to the owners of said real estate for their decision.) November 13, 1996

93-059 Commission vs. Samuel Murante, broker. License Suspended 60 days, with last 45 days stayed and served on probation, plus 12 hours additional continuing education approved by the Director. (Violated Section 81-885.24(11) by placing a "For Sale" sign on property without written consent of the seller; and Section 81-885.24(22) by

making substantial misrepresentations regarding the handling of an earnest deposit.) March 10, 1994

Request for Stay denied by Commission. Appealed to Douglas County District Court. Motion for Stay upheld by District Court. Hearing held April 21, 1995. May 24, 1995-District Court reversed Commission's Order and directed Commission to dismiss with prejudice. June 19, 1995 - Commission voted to appeal District Court's decision. Appealed to Court of Appeals. Hearing held October 17, 1996. Affirmed violation of 81-885.24(11) and upheld reversal with regard to misrepresentation and remanded to District Court for remanding to Commission for new penalty. Censure by Stipulation and Consent

Decree for placing for sale sign on property without written consent. December 16, 1996

96-032 Nevander Asset Management Inc., Dennis Watts vs. Robert L. Pelshaw, broker. Stipulation and Consent Order. License suspended 2 years, from March 1, 1997 through February 28, 1999. (Violated Section 81-885.24(3) in failing to account for and remit funds in his possession and belonging to Nevander; Section 81-885.24(26) and Title 299 NAC Chap. 3-003 in failing to properly identify funds received from Nevander for payment of expenses; and Section 81-885.24(29) by demonstrating negligence, incompetency or unworthiness.) January 21, 1997

Interracial couple wins settlement against Nebraska landlords who refused to rent to them

(Editor's Note: The following is reprinted with permission from the November, 1996, National Fair Housing Advocate.)

Kristi Kellogg, a white woman from Lincoln, Nebraska, won a \$2,000 settlement from Keith Osborn and Pam Lyman, the owners of a rental house in Lincoln, after they refused to rent an apartment to her and her boyfriend, James Greene, who is Black. The Nebraska Court of Appeals, affirming the decision of a lower court, ordered Osborn and Lyman to pay Kellogg \$900 in compensatory damages and \$1,197 in attorney's fees. The Court of Appeals also ordered the defendants to pay a \$2,000 civil penalty.

Kellogg was searching for an apartment that she, Green, and her daughter

could share. Barbara Osborn, Keith Osborn's mother and a co-worker of Kellogg's told her that a ground floor apartment was available at the house that her son owned. Kellogg and Greene made an appointment to see the apartment with Barbara Osborn. They filled out an application and made a deposit for the apartment. Two days later, Kellogg received a letter stating that Osborn and Lyman wanted no more than two people in the apartment, Green had not provided adequate references, and that Greene's income was not sufficient if something were to happen to her. Later, Kellogg learned that the apartment had been rented and was occupied by five people, a couple, their children, and one of their grandchildren.

The case was originally heard by the Nebraska Equal Opportunity Commission. The Commission found that the owners of the rental home had intentionally discriminated against Kellogg and Greene on the basis of race in violation of both the Nebraska Fair Housing Act and the Federal Fair Housing Act. The Commission's administrative decision was affirmed by the Lancaster County District Court. The Osborns appealed the ruling to the Nebraska Court of Appeals, which upheld the lower court's ruling. District Court Judge Merritt Warren held that the evidence in the case supported the Commission's findings that the Court was not wrong in affirming the Commission's decision.

(Continued from page 1)

cellular telephone or have a business line installed. Naturally many accept and this is fine. The problem arises when the one line in the yellow pages only carries the name and telephone number of the salesperson or associate broker and does not

include the name under which the broker conducts business, i.e. the real estate company's name. If salespersons or associate brokers wish to have the yellow page listing then they must be sure that the company name also appears. This

may require two-lines and therefore a fee for the telephone listing may accrue.

Should you have any questions regarding any of the advertising requirements, please contact the Commission Office.

Let's Talk Trust Accounts

This column of the "Commission Comment" provides educational information which pertains to the License Act and Rules and Regulations and the Trust Account Manual. All licensees are encouraged to discuss this information at office meetings and share this information with the appropriate non-licensed personnel within the office so that any questions concerning policy or procedure can be eliminated prior to a visit by the Trust Account Examiner. If there are questions or concerns, please contact Terry Mayrose at the Commission office. (402) 471-2004.

Timely Deposit of Earnest Money

We have received requests to clarify the section of the Rules and Regulations, 299 NAC 5-003.14 which states, in part, a violation occurs for:

"Failure to deposit any funds received as an earnest money deposit within 48 hours or before the end of the next banking day after an offer is accepted, in writing, unless otherwise provided in the purchase agreement."

Please consider the following examples. In all cases the purchase agreement was accepted, in writing, on the date of acceptance indicated (days of the week are pertinent to this illustration and have been substituted for dates).

With no bank holidays interrupting:

<u>DATE OF ACCEPTANCE</u>	<u>LAST DAY TO DEPOSIT</u>
Monday	Wednesday
Tuesday	Thursday
Wednesday	Friday
Thursday	Saturday
Friday	Monday (next banking day)
Saturday	Monday
Sunday	Tuesday

If a bank holiday happens to fall on the "48 hour day" then the "next banking day" provision engages. For example: an offer is accepted in writing on the Tuesday of a Thanksgiving week, the "48 hour day" is Thursday. Thursday is

Thanksgiving and the banks are closed. The next "banking day" is Friday and the day by which the deposit must take place. If the bank where the trust account is located would not be open on the Friday after Thanksgiving and the next banking day is Saturday, then that is when the deposit must occur.

The same "next banking day" scenario would apply to Monday bank holidays or bank holidays falling on other "last day to deposit" days.

Please note: the above-quoted Rule only puts the "outside" limit on deposits. Earnest monies may be deposited the same day they are received, even if no written acceptance has taken place. They may also be deposited the day the written acceptance occurs. The Rule only sets the outside time-frame.

Trust Account Requirements

Licensees are reminded that all trust funds coming into the possession of the licensees must be deposited into and disbursed from a real estate trust account.

Neb. Rev. Stat. 81-885.21 states:

"(1) Each broker other than an inactive broker shall maintain a separate insured bank non-interest-bearing checking account in this state in his or her name or the name under which he or she does business which shall be designated a trust account in which all downpayments, earnest money deposits, or other trust funds received by him or her, his or her associate brokers, or his or her salesperson on behalf of his or her principal or any other person shall be deposited and remain until the transaction is closed or otherwise terminated unless all parties having an interest in the funds have agreed otherwise in writing.

(2) Each broker shall notify the commission of the name of the bank or banks in which the trust account is maintained and also the name of the account on forms provided therefore.

(3) Each broker shall authorize the commission to examine such trust account by a duly authorized representative of the commission. Such

examination shall be made annually or at such time as the commission may direct.

(4) A broker may maintain more than one trust account in his or her name or the name under which he or she does business if the commission is advised of such account as required in subsection (2) of this section.

(5) In the event a branch office maintains a separate trust account, a separate bookkeeping system shall be maintained in the branch office.

(6) A broker shall not be entitled to any part of the earnest money or other money paid to him or her or the entity under which he or she does business in connection with any real estate transaction as part or all of his or her commission or fee until the transaction has been consummated or terminated."

Title 299, Chapter 3-003 states:

"Funds referred to in Subsection (1) Section 81-885.21 of the Nebraska Real Estate License Act shall include but not be limited to earnest money deposits, money received upon final settlements, rents, security deposits, money advanced by a buyer or seller for the payment of expenses in connection with the closing of real estate transactions and money advanced by a broker's principal for expenditures on behalf of such principal."

This would include income derived from the management of residential, commercial and agricultural properties.

Trust Account Registration

As set forth in the Statute quoted above, all trust accounts established must be registered with the Nebraska Real Estate Commission. Brokers should contact the Commission office for a "Consent To Examine Trust Account" form which must be completed on each trust account maintained by the broker.

To establish a real estate trust account, the following requirements must be followed:

A. An insured Nebraska bank must be utilized;

- B. The account must be non-interest bearing;
- C. The name of the account must be established in the name under which the broker is doing business, as recorded with the Commission office;
- D. The title of the account must include the heading "Trust Account;"
- E. The account must be registered with the Nebraska Real Estate Commission;
- F. Duplicate deposit slips and pre-numbered checks must bear the same name as the name of the real estate trust account.

When establishing the real estate trust account, the broker is responsible for ensuring that the account is established in a bank and not a savings and loan. The Nebraska Real Estate License Act prohibits the use of savings and loan institutions as a repository for real estate trust accounts.

Broker Equity

Brokers are advised that, when opening the real estate trust account with a \$-0- balance and with no subsequent deposits or disbursements on the account the bank might, without the consent of, or notice to the broker, close the account because of the \$-0- balance and lack of activity. Or, the bank might charge the account with various bank charges which will result in negative balances.

Brokers are allowed to deposit personal funds into the trust account as long as those funds deposited are clearly identified in the bookkeeping system as "Broker Equity". If the account is service charged, the service charges must be recorded in the bookkeeping systems

general ledger and "Broker Equity" sub ledger as the activity occurs.

Title 299, Chapter 3-004 states:

"Funds deposited in the trust account will necessarily include monies which will ultimately belong to the broker but such monies shall be separately identified in his or her trust account records and shall be paid to the broker by check drawn on the trust account after the same are due the broker. The fact that a trust account contains money belonging to the broker does not constitute "commingling the money or other property of his or her principals with his or her own," as prohibited by Subsection (4) Section 81-885.24 of the Nebraska Real Estate License Act."

Closing a Trust Account

When closing a trust account, brokers are requested to notify the Commission office in writing, identifying the name of the bank, account number, and date of closing. Brokers should also include a statement to the effect that all funds removed upon closing the account were Broker equity.

Unclaimed Trust Funds

Unclaimed trust funds, usually in the form of earnest monies, uncashed trust account checks, or tenant security deposits may be transferred immediately to the Nebraska State Treasurer, Unclaimed Property Division, P.O.Box 94788, Lincoln, NE. 68509-4788. However, Brokers should note that these funds must be transferred to the State Treasurer after being unclaimed for 5 years.

Nebraska State Statute provides that, although not mandatory, the unclaimed trust funds "may" be maintained by the broker for a period of five (5) years. The broker must make a determined effort to locate the rightful owner, at least by first-class mail to the last known address. If, after attempting to find the rightful owner, the rightful owner cannot be located, then the broker "may" maintain the trust funds in his or her real estate trust account for five (5) years and then send the unclaimed trust funds to the State Treasurer, or they "may" forward the trust funds to the State Treasurer immediately after determining that the rightful owner cannot be found, in which case the trust funds would not have to be maintained for five (5) years. Any claim made by the rightful owner can then be made with the State Treasurer's Office.

Brokers are reminded to identify the outstanding checks each time a bank statement is received and for those outstanding trust account checks over thirty (30) days old, determine why those checks have not been cashed. This procedure could save the broker a lot of time several months later when trying to locate the rightful owner.

For more specific information and the exact procedure for depositing unclaimed trust funds, contact the Nebraska State Treasurer at (402) 471-2455.

Editor's Note: The Real Estate Trust Account Manual, Section D., Unclaimed Trust Funds, page 4, refers to the requirement for holding unclaimed trust funds for a period of seven (7) years. This statutory requirement has been amended to five (5) years. Brokers are requested to make the necessary changes in their Trust Account Manual. (Reference Neb. Rev. Stat. 69-1308)

PROPOSED CHANGES TO THE SELLER PROPERTY CONDITION DISCLOSURE STATEMENT

Following is a copy of the proposed changes to the Seller Property Condition Disclosure Statement. These changes appear in legislative style, that is that current language that is proposed to change appears stricken and proposed new language is shaded. As indicated in the Director's Desk, your comments on these proposals are welcomed.

Title 302 - NEBRASKA REAL ESTATE COMMISSION Chapter 1 - SELLER PROPERTY CONDITION DISCLOSURE STATEMENT.

001 The disclosure statement required by Neb. Rev. Stat. Section 76-2,120 shall be in substantially the following form:

**NEBRASKA REAL ESTATE COMMISSION
SELLER PROPERTY CONDITION DISCLOSURE STATEMENT**

Residential Real Property

THIS DISCLOSURE STATEMENT IS BEING COMPLETED AND DELIVERED IN ACCORDANCE WITH NEBRASKA LAW. NEBRASKA LAW REQUIRES THE SELLER TO COMPLETE THIS STATEMENT (NEB. REV. STAT. §76-2,120). PURSUANT TO NEB. REV. STAT. SECTION 76-2,120, THIS DISCLOSURE STATEMENT MUST BE COMPLETED BY THE SELLER.

Seller ___ is ___ is not occupying the real property.

How long has Seller owned the real property? _____

~~THIS DISCLOSURE STATEMENT CONCERNS THE REAL PROPERTY SITUATED AT _____ IN THE CITY OF _____, COUNTY OF _____, STATE OF NEBRASKA LEGALLY DESCRIBED AS _____~~

~~THIS STATEMENT IS A DISCLOSURE OF THE CONDITION OF THE ABOVE DESCRIBED PROPERTY KNOWN BY THE SELLER, ON THE DATE ON WHICH IT IS SIGNED. IT IS NOT A WARRANTY OF ANY KIND BY THE SELLER(S) OR ANY AGENT REPRESENTING ANY PRINCIPAL IN THIS TRANSACTION, AND SHOULD NOT BE ACCEPTED AS A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PURCHASER MAY WISH TO OBTAIN.~~

~~The information provided in this statement is the representation of the Seller and not the representation of any Agent. The information contained herein is not intended to be part of any contract between the Seller and Purchaser.~~

SELLER'S INFORMATION

~~The Seller discloses the following information with the knowledge that even though this is not a warranty, prospective Purchasers may rely on this information in deciding whether and on what terms to purchase the subject real property. Seller hereby authorizes any Agent(s) representing any principal(s) in this transaction to provide a copy of this statement to any person or entity in connection with any actual or possible sale of the real property.~~

~~If any comments or explanations of Items are necessary, such remarks should be made in Part III of this Disclosure Statement and should reference the "Part", "Section" and number of the Item on which comment or explanation is being given.~~

~~PART I - If there is more than one of each Item listed in this Part, you will need to specify in the Comments Section, Part III, that the check applies to all such Items or to which Item the answer refers. The following are in the condition indicated.~~

~~This Disclosure Statement concerns the real property located at _____ in the City of _____, County of _____, State of Nebraska and legally described as _____~~

~~THIS STATEMENT IS A DISCLOSURE OF THE CONDITION OF THE REAL PROPERTY KNOWN BY THE SELLER ON THE DATE ON WHICH THIS STATEMENT IS SIGNED. THIS STATEMENT IS NOT A WARRANTY OF ANY KIND BY THE SELLER OR ANY AGENT REPRESENTING A PRINCIPAL IN THE TRANSACTION, AND SHOULD NOT BE ACCEPTED AS A SUBSTITUTE FOR ANY INSPECTION OR WARRANTY THAT THE PURCHASER MAY WISH TO OBTAIN. EVEN THOUGH THE INFORMATION PROVIDED IN THIS STATEMENT IS NOT A WARRANTY, THE PURCHASER MAY RELY ON THE INFORMATION CONTAINED HEREIN IN DECIDING WHETHER AND ON WHAT TERMS TO PURCHASE THE REAL PROPERTY. ANY AGENT REPRESENTING A PRINCIPAL IN THE TRANSACTION MAY PROVIDE A COPY OF THIS STATEMENT TO ANY OTHER PERSON IN CONNECTION WITH ANY ACTUAL OR POSSIBLE SALE OF THE REAL PROPERTY. THE INFORMATION PROVIDED IN THIS STATEMENT IS THE REPRESENTATION OF THE SELLER AND NOT THE REPRESENTATION OF ANY AGENT, AND IS NOT INTENDED TO BE PART OF ANY CONTRACT BETWEEN THE SELLER AND PURCHASER.~~

~~Seller please note: You are required to complete this Disclosure Statement in full. If any particular item or matter does not apply and there is no provision or space for so indicating, insert "N/A."~~

~~SELLER STATES THAT, TO THE BEST OF SELLER'S BELIEF AND KNOWLEDGE AS OF THE DATE THIS DISCLOSURE STATEMENT IS COMPLETED AND SIGNED BY THE SELLER, THE CONDITION OF THE REAL PROPERTY IS:~~

PART I - If there is more than one of any item in this Part, the statement made applies to each and all of such items unless otherwise noted in the Comments section, PART III of this Disclosure Statement.

Section A. Appliances

~~None/Not
Included~~

~~Working~~

~~Not
Working
Do Not~~

~~Know~~

Section A. Appliances

Working

Not
Working

Know If
Working

None/Not
Included

1. Built-in Vacuum System
2. Clothes Dryer
3. Clothes Washer
4. Dishwasher
5. Disposal
6. Freezer
7. Gas Grill
8. Range Ventilation Systems
9. Microwave Oven
10. Oven
11. Range
12. Refrigerator
13. Room Air Conditioner
14. TV Antenna/Satellite Dish
15. Trash Compactor
16. Other (Specify)
17. Other (Specify)

Section B. Electrical System

~~None/Not
Included~~

~~Working~~

~~Not
Working
Do Not~~

~~Know~~

Section B. Electrical Systems

Working

Not
Working

Know If
Working

None/Not
Included

1. Electric Service Panel
(Capacity ____ AMP)
Fuse ____ Circuit Breakers ____
2. Ceiling Fan
3. Garage Door Opener/Remote Controller(s)
(Number of Controllers, if included ____)
4. Telephone Wiring and Jacks
5. Cable TV Wiring and Jacks
6. Intercom or Sound System Wiring & Built-in Speakers
7. Sauna (____ Steam ____ Dry, if included)
8. Smoke/Fire Alarm
9. Room Vent Fan
10. 220 Volt Service
11. Other (Specify)
12. Other (Specify)

Section C. Heating and Cooling System

~~None/Not
Included~~

~~Working~~

~~Not
Working
Do Not~~

~~Know~~

Section C. Heating and Cooling System

Working

Not
Working

Know If
Working

None/Not
Included

1. Air Purifier
2. Attic Fan
3. Whole House Fan
4. Central Air Conditioning
5. Fireplace/Fireplace Insert
6. Furnace/Heat (____ Gas ____ Electric)
7. Gas Log
8. Gas Starter (Fireplace)

9. Heat Pump
10. Humidifier
11. Propane Tank (Rent ~~Leased~~ Own)
12. Solar House Heating
13. Woodburning Stove
14. Other (Specify)
- ~~15. Other (Specify)~~

None/Not	Included	Working	Not Working	Do Not Know
Section D. Water Systems				
Section D. Water Systems	Working	Not Working	Do Not Know If Working	None/Not Included

1. Hot Tub/Whirlpool
2. Plumbing
- ~~3. Sump Pump (Discharges to _____)~~
4. ~~3.~~ Swimming Pool
- ~~5.~~ 4. Underground Sprinkler
- ~~6.~~ 5. Water Heater
- ~~7.~~ 6. Water Purifier
- ~~8.~~ 7. Water Softener (Rent Own)
- ~~9.~~ 8. Well System
- ~~10.~~ 9. Other (Specify)
- ~~11. Other (Specify)~~

Section E. Sewer Systems	Working	Not Working	Do Not Know If Working	None/Not Included
-------------------------------------	--------------------	------------------------	-----------------------------------	------------------------------

1. Plumbing
2. Sump Pump (Discharges to _____)
3. Septic System
4. Other (Specify)
5. Other (Specify)

PART II - Answer all questions to the best of your (Seller's) knowledge.

PART II - In this part, if the answer to any item is "Yes", explain the condition in the Comments Section, PART III of this Disclosure Statement.

Section A. Structural Conditions. If there is more than one of any item listed in this Section, the statement made applies to each and all of such items unless otherwise noted in the Comments Section, PART III of this Disclosure Statement.

- | | | | |
|--|-----|----|-------------|
| | Yes | No | Do Not Know |
|--|-----|----|-------------|
1. Age of Roof (if known) _____ years
 2. Does the roof leak?
 - ~~3. Has the roof leaked?~~
 - ~~3.~~ 4. Is there presently damage to the roof?
 4. ~~5.~~ Has there ~~ever~~ been leakage/seepage in the basement or crawl space? ~~If yes, explain in Comment Section.~~
 - ~~5.~~ ~~6.~~ Has there been any damage to the real property or any of the ~~improvements~~ structures thereon due to wind, fire, flood, wood-destroying insects or rodents?
 - ~~6.~~ ~~7.~~ Are there any structural problems with the ~~improvements~~ structures on the real property?
 - ~~7.~~ ~~8.~~ Is there ~~any~~ presently damage to the chimney ~~which requires repairs~~?
 - ~~8.~~ ~~9.~~ Is there presently any exposed wiring presently in any structures on the real property?
 - ~~9.~~ ~~10.~~ Are there any windows which presently leak or have broken thermopane seals?
 - ~~10.~~ ~~11.~~ Have you ever experienced any moving or settling of the following:
 - Foundations?
 - Floors?
 - Walls?

- Sidewalks?
- Patios?
- Driveways?
- Retaining Walls?

12. Other than those mentioned above (if any), are there any defects in the structures that, in the Seller's opinion, materially affect the value of the real property or structures thereon?

Section B. Hazardous Conditions

Are you (Seller), to the best of your knowledge, aware of any of the following substances, materials, or products on the real property which may be an environmental hazard?

Section B. Environmental Hazards. Have any of the following substances been on the real property? If tests have been conducted for any of the following, provide a copy of all test results.

- | | Yes | No | Do Not Know |
|---|-----|----|-------------|
| 1. Asbestos | | | |
| 2. Contaminated soil or water (including drinking water) | | | |
| 3. Expansive soil | | | |
| 4. 3. Landfill or Buried Materials | | | |
| 5. 4. Lead-based paint | | | |
| 6. 5. Radon gas in house or well | | | |
| 7. 6. Toxic Materials | | | |
| 8. 7. Underground fuel, or chemical or other type of storage tanks | | | |
| 9. Other (Specify) | | | |
| 10. Other (Specify) | | | |

8. Have any other EPA identified hazardous substances, materials or products been on the real property?

Section C. Title Disclosures Conditions. Do any of the following conditions exist with regard to the real property? Are you (Seller), to the best of your knowledge, aware of any of the following which could affect the real property?

- | | Yes | No | Do Not Know |
|---|-----|----|-------------|
| 1. Any F features, such as walls, fences and drive-ways, which are shared in common with adjoining landowners who use or have a responsibility for maintenance of the feature? | | | |
| 2. Any E easements, other than normal utility easements? | | | |
| 3. Any Encroachments? | | | |
| 4. Any Zoning violations, non-conforming uses, or violations of "setback" requirements? | | | |
| 5. Any lot-line disputes? or other unusual claims against the real property | | | |
| 6. Any pending or levied assessments on the real-estate property, including but not limited to those for sidewalks, streets, sewers, water and gas lines? | | | |
| 7. Any Condominium regime, or other deed restrictions or obligations, or any Homeowner's Association which has authority over the real property. Any condominium, homeowners, or other type of association which has any authority over the real property? | | | |
| 8. Any "common area" (facilities such as pools, tennis courts, walkways, or other areas co-owned in individual interest with others) common use areas? | | | |
| 9. Any lawsuits against the Seller threatening to, or affecting, this real property? | | | |
| 10. Any notices from any governmental or quasi-governmental agency affecting this the real property? | | | |
| 11. Are there a Any planned road or street expansions, improvements or widenings adjacent to the real property? | | | |
| 12. Any unpaid bills or claims of others for labor and/or materials furnished to or for the real property? | | | |
| 13. Any deed restrictions or other restrictions of record affecting the real property? | | | |
| 14. Any unsatisfied judgments against Seller? | | | |
| 15. Any dispute regarding a right of access to the real property? | | | |
| 16. Any other title conditions which might affect the real property? | | | |

**ACKNOWLEDGMENT OF RECEIPT OF DISCLOSURE STATEMENT
UNDERSTANDING AND CERTIFICATION**

~~I/We acknowledge receipt of a copy of this completed Property Condition Disclosure Statement and understand that this Disclosure Statement is not a warranty or guarantee of any kind by the Seller(s) or any Agent representing any Principal in this transaction and is not a substitute for any inspections or warranties the Purchaser may wish to obtain.~~

Seller _____ Receipt Date _____
Seller _____ Receipt Date _____

I/We acknowledge receipt of a photocopy of the above Seller Property Condition Disclosure Statement; understand that such Disclosure Statement is not a warranty of any kind by the Seller or any agent representing any principal in the transaction, understand that such Disclosure Statement should not be accepted as a substitute for any inspection or warranty that I/we may wish to obtain, and certify that such Disclosure Statement was delivered to me/us or my/our agent on or before the effective date of any contract entered into by me/us relating to the real property described in such Disclosure Statement.

Purchaser _____ Receipt Date _____
Purchaser _____ Receipt Date _____

The effective date of this original Section shall be January 1, 1995.

The effective date of this section as amended is October 1, 1997.

Laws 1994, LB 642, 1(12); RS 1943, 76-2,120.01(12), R.S. Cum. Supp., 1994.

Effective July 16, 1994.

THE ASSOCIATION OF REAL ESTATE LICENSE LAW OFFICIALS

The 1997 "Digest of Real Estate License Laws" is a reference guide of license law statistics. Designed for real estate executive officers, educators, attorneys and those in need of state-by-state statistics on license law requirements. Information contained in the "Digest" has been used extensively in testifying and lobbying before legislative bodies throughout the United States and Canada. This guide is up-dated annually and the statistics contained change considerably from year to year. Sign up today for the Digest.

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Future Real Estate Examinations

The following is the schedule of the dates on which the real estate licensing examinations are administered in Nebraska and the deadline dates for filing of broker and salesperson original applications, retake applications, proof of education and examination cancellation requests for the applicable Examination Date.

Examinations for both salesperson and broker applicants are administered eleven times a year as set out on this schedule. The examination is adminis-

tered in Lincoln, North Platte and Omaha on each Examination Date and in Scottsbluff on only the January, May and September Examination Dates. All applicants for a particular examination will receive notice of the time and place of the examination approximately one week prior to that Examination Date.

Applications, proof of education, and cancellation requests are due on the date of the deadline!

The Examination Date and the deadlines are subject to change by order of

the Nebraska Real Estate Commission. Affected applicants will be notified of any changes in a timely manner.

Applications and other pertinent information regarding the real estate licensing and examination process may be obtained from the Nebraska Real Estate Commission, P. O. Box 94667, Lincoln NE 68509-4667. Telephone Number: (402) 471-2004. TDD users may use the Nebraska Relay System at (800) 833-7352.

Real Estate Examination Schedule 1996

<u>Examination Date</u>	<u>Broker Original Application</u>	<u>Salesperson Original Application</u>	<u>Education Deadline</u>	<u>All Retake Applications</u>	<u>Cancellation Deadline</u>
March 15, 1997	January 28, 1997	February 10, 1997	February 24, 1997	February 28, 1997	March 4, 1997
April 19, 1997	March 4, 1997	March 17, 1997	March 31, 1997	April 4, 1997	April 8, 1997
May 17, 1997	April 1, 1997	April 14, 1997	April 28, 1997	May 2, 1997	May 6, 1997
June 21, 1997	May 6, 1997	May 19, 1997	June 2, 1997	June 6, 1997	June 10, 1997
July 19, 1997	June 3, 1997	June 16, 1997	June 30, 1997	July 7, 1997	July 8, 1997
August 16, 1997	July 1, 1997	July 14, 1997	July 28, 1997	August 1, 1997	August 5, 1997
September 20, 1997	August 5, 1997	August 18, 1997	September 2, 1997	September 5, 1997	September 9, 1997
October 18, 1997	September 2, 1997	September 15, 1997	September 29, 1997	October 3, 1997	October 7, 1997
November 15, 1997	September 30, 1997	October 14, 1997	October 27, 1997	October 31, 1997	November 4, 1997

Nebraska Real Estate Commission
PO Box 94667
Lincoln, NE 68509-4667

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