

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).

Renter is occupying the real property and will vacate with 60 days notice.

Seller has owned the real property since August 1997. House was completed and seller moved into house in March, 1998.

This Disclosure Statement concerns the real property located at 3028 Ashland Road, Valparaiso, Saunders County, NE 68065 and legally described as

THAT PART OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER AND THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 32, TOWNSHIP 13 NORTH, RANGE 5 EAST OF THE SIXTH PRINCIPAL MERIDIAN, SAUNDERS COUNTY, NEBRASKA, DESCRIBED AS BEGINNING AT THE SOUTHEAST CORNER OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 32; THENCE S89-57-41W, ON THE SOUTH LINE OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER, A DISTANCE OF 43.00 FEET; THENCE N00-06-49W, ON A LINE PARALLEL TO AND 43.00 FEET DISTANT WESTERLY FROM THE EAST LINE OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER, A DISTANCE OF 957.59 FEET; THENCE N89-53-11E, A DISTANCE OF 209.63 FEET; THENCE N00-06-49W, ON A LINE PARALLEL TO AND 166.63 FEET DISTANT EASTERLY FROM THE WEST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER, A DISTANCE OF 363.87 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; THENCE N89-57-03E, ON THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER, A DISTANCE OF 1147.37 FEET TO THE NORTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; THENCE S00-11-00E, ON THE EAST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER, A DISTANCE OF 1321.94 FEET TO THE SOUTHEAST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER; THENCE S89-57-41W, ON THE SOUTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER, A DISTANCE OF 1315.61 FEET TO THE POINT OF BEGINNING; CONTAINING A COMPUTED AREA OF 39.45 ACRES MORE OR LESS.

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 states that, to the best of seller's belief and knowledge as of the date on which the seller completes this disclosure statement, the condition of the real property is: excellent. All minor repair and improvements have been completed or will be completed before sale. See notes at part III.

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. Seller is to indicate if Item is Working, Not Working, Not known if Working, or None/Not Included.

Section A. Appliances

Built-in vacuum system and equipment – N/A

Clothes dryer – electric, working

Clothes washer – electric, working
Dishwasher – N/A
Disposal – N/A
Freezer – N/A
Gas grill – N/A
Range ventilation systems – hood exhausts into room
Microwave oven – N/A
Oven with burners -- working
Range – see above
Refrigerator – N/A
Room air conditioner – N/A
TV antenna/satellite dish -- working
Trash compactor – N/A
Water Softener – working
Water heater – 75-gallon, propane; working

Section B. Electrical Systems

Electric service panel (capacity 200 amp) (circuit breakers) - working
Ceiling fans - working
Garage door openers/remote controllers (number = 2) - working
Telephone wiring and jacks - working
Cable TV wiring and jacks – N/A
Intercom or sound system wiring and built-in speakers – N/A
Smoke/fire alarm – several
Bathroom vent fans - working
220 volt service - working
Security system – N/A
Other (specify)
Have you experienced any problems with the electrical system or its components? No

Section C. Heating and Cooling Systems

Air purifier – N/A
Attic fan – N/A
Whole house fan – N/A
Central air conditioning - working
Fireplace/fireplace insert – N/A
Heating system – working (propane)
Gas log – N/A
Gas starter (fireplace) – N/A
Heat pump – N/A
Humidifier - working
Propane tank (rent) -- working
Woodburning stove - working
Other (specify)

Section D. Water Systems

Hot tub/whirlpool – N/A
Plumbing - working
Swimming pool – N/A
Underground sprinkler – N/A
Water heater – working; propane, 75 gallon
Water purifier – N/A. Carbon filter at refrigerator hookup.
Water softener (own) -- working
Well system – working. Excellent artesian well. Over 100 gpm.
Sump pump – working
Septic system – working
Other (specify)

PART II. In this part, in Sections A, B, and C, answer Yes, No, or Do Not Know. 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.

Age of roof (if known) – new in 1998

Does the roof leak? no

Has the roof leaked? No

Is there presently damage to the roof? No

Has there been leakage/seepage in the basement or crawl space? – N/A

Has there been any damage to the real property or any of the structures thereon due to the following occurrences including, but not limited to, wind, hail, fire, flood, wood-destroying insects, or rodents? No

Are there any structural problems with the structures on the real property? -- No

Is there presently damage to the chimney? No

Are there any windows which presently leak, or do any insulated windows have broken seals? No

Have you experienced any moving or settling of the following:

Foundation -- No

floor -- No

wall -- No

sidewalk -- No

patio – N/A

driveway -- N/A

retaining wall – N/A

Section B. Environmental Conditions

Have any of the following substances, materials, or products been on the real property? Answer Yes, No, or Not Known. If tests have been conducted for any of the following, provide a copy of all test results, if available.

Asbestos-- No

Contaminated soil or water (including drinking water) – Not known

Landfill or buried materials—Not known

Lead-based paint-- No

Radon gas – Not known

Toxic materials – Not known

Underground fuel, chemical, or other type of storage tank—Not known

Have any other hazardous substances, materials, or products identified by the Environmental Protection Agency or its authorized Nebraska designee been on the real property? Not known

Section C. Title Conditions

Do any of the following conditions exist with regard to the real property? Answer yes, no, or not known.

Any features, such as walls, fences, and driveways, which are shared? Boundary fence

Any easements, other than normal utility easements? No

Any encroachments? No

Any zoning violations, non-conforming uses, or violations of "setback" requirements? No

Any lot-line disputes? No

Have you been notified, or are you aware, of any work planned or to be performed by a utility or municipality close to the real property including but not limited to sidewalks, streets, sewers, water, power, or gas lines? No

Any condominium, homeowners, or other type of association which has any authority over the real property? No

Does ownership of the property entitle the owner to use any "common area" facilities such as pools, tennis courts, walkways, or other common use areas? No

Any lawsuits regarding this property during the ownership of the seller? No
Any notices from any governmental or quasi-governmental agency affecting the real property? No
Any planned road or street expansions, improvements, or widenings adjacent to the real property?
No
Any unpaid bills or claims of others for labor and/or materials furnished to or for the real property?
No
Any deed restrictions or other restrictions of record affecting the real property? No
Any unsatisfied judgments against Seller? No
Any dispute regarding a right of access to the real property? No
Any other title conditions which might affect the real property? No

Section D. Other Conditions

Are the dwelling and the improvements connected to a public water system? No
Are the dwelling and the improvements connected to a public sewer system? No
Are the dwelling and the improvements connected to a private or community (non-public) water system? Well. Working.
Are the dwelling and the improvements connected to a private or community (non-public) sewer system? No.
Are the dwelling and the improvements connected to a septic system? Yes. Working
Is the real property in a flood plain or floodway? No
Is trash removal service provided to the real property? Yes. Private.
Have the structures been mitigated for radon? No
Is the property connected to a natural gas system? No
Has a pet been domiciled in the dwelling? Yes. Dogs and cats.

If the answer to any of the following items is "Yes," *explain*.

Are any trees or shrubs on the real property diseased or dead? Yes. This is a farm with lots of trees.
Are any trees or shrubs scheduled to be removed? No
Are there any flooding, drainage, or grading problems in connection with the real property? No, not that affect the buildings. The arena and corral behind the large barn are slow to drain after heavy rains.
Have you made any insurance or manufacturer claims with regard to the property? No
Are you aware of any problem to the exterior wallcovering of the structure including, but not limited to, siding, synthetic stucco, masonry, or other materials? No

Section E

Cleaning/Service Conditions. Have you ever performed or had performed the following? State the most recent year:

Servicing of air conditioner – yes. 2001
Cleaning of fireplace, including chimney – N/A
Servicing of furnace – Yes. 2001
Servicing of septic system – Yes. 2001
Cleaning of woodburning stove, including chimney – Yes. Annually.
Treatment for wood-destroying insects or rodents – N/A
Tested well water – Yes. 1997.
Serviced/treated well water – No.

PART III - Comments. Please reference comments on items responded to, stating Section number and letter and item number.

Comments before Part 1: Minor repair and improvements include replacing linoleum with tile in kitchen, utility hall, entry, and baths; cleaning the carpeting; painting interior walls; and other minor misc. as needed.

SELLER'S CERTIFICATION

Seller hereby certifies that this Disclosure Statement, which consists of 4 pages (including buyer's acknowledgment section, which follows), has been completed by Seller to the best of Seller's belief and knowledge as of this date.

Seller *Dean Cedvallader*

Date Sept. 25, 2005

Seller *Maria M. Cedvallader*

Date Sept 25, 2005

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

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; understand the information provided in this Disclosure 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; 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 _____