

RESIDENTIAL SELLER DISCLOSURE ADVISORY

Document updated:
February 2017



WHEN IN DOUBT – DISCLOSE!



Arizona law requires the seller to disclose material (important) facts about the property, even if you are not asked by the buyer or a real estate agent. These disclosure obligations remain even if you and the buyer agree that no Seller's Property Disclosure Statement ("SPDS") will be provided.

The SPDS is designed to assist you, the seller, in making these legally required disclosures and to avoid inadvertent nondisclosures of material facts. To satisfy your disclosure obligations and protect yourself against alleged nondisclosure, you should complete the SPDS by answering all questions as truthfully and as thoroughly as possible. Attach copies of any available invoices, warranties, inspection reports, and leases, to insure that you are disclosing accurate information. Use the blank lines to explain your answers. If you do not have the personal knowledge to answer a question, it is important not to guess – use the blank lines to explain the situation.



If the buyer asks you about an aspect of the property, you have a duty to disclose the information, even if you do not consider the information material.* You also have a legal duty to disclose facts when disclosure is necessary to prevent a previous statement from being misleading or misrepresented: for example, if something changes.

If you do not make the legally required disclosures, you may be subject to civil liability.

Under certain circumstances, nondisclosure of a fact is the same as saying that the fact does not exist. Therefore, nondisclosure may be given the same legal effect as fraud.

If you are using the Arizona Association of REALTORS® ("AAR") Residential Resale Real Estate Purchase Contract, the seller is required to deliver "a completed AAR Residential SPDS form to the Buyer within three (3) days after Contract acceptance." If the Seller does not provide the SPDS as the Contract requires, the Seller is potentially in breach of the Contract, thereby enabling the Buyer to cancel the transaction and receive the earnest money deposit.

* By law, sellers are not obligated to disclose that the property is or has been: (1) a site of a natural death, suicide, homicide, or any other crime classified as a felony; (2) owned or occupied by a person exposed to HIV, or diagnosed as having AIDS or any other disease not known to be transmitted through common occupancy of real estate; or (3) located in the vicinity of a sex offender. However, the law does not protect a seller who makes an intentional misrepresentation. For example, if you are asked whether there has been a death on the property and you know that there was such a death, you should not answer "no" or "I don't know." Instead you should either answer truthfully or respond that you are not legally required to answer the question.



RESIDENTIAL SELLER'S PROPERTY DISCLOSURE STATEMENT (SPDS) *(To be completed by Seller)*

Document updated:
February 2017



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



MESSAGE TO THE SELLER:

Sellers are obligated by law to disclose all known material (important) facts about the Property to the Buyer. The SPDS is designed to assist you in making these disclosures. If you know something important about the Property that is not addressed on the SPDS, add that information to the form. Prospective Buyers may rely on the information you provide.

INSTRUCTIONS: (1) Complete this form yourself. (2) Answer all questions truthfully and as fully as possible. (3) Attach all available supporting documentation. (4) Use explanation lines as necessary. (5) If you do not have the personal knowledge to answer a question, use the explanation lines to explain. *By signing on page 7, you acknowledge that the failure to disclose known material information about the Property may result in liability.*

MESSAGE TO THE BUYER:

Although Sellers are obligated to disclose all known material (important) facts about the Property, there are likely facts about the Property that the Sellers do not know. Therefore, it is important that you take an active role in obtaining information about the Property.

INSTRUCTIONS: (1) Review this form and any attachments carefully. (2) Verify all important information. (3) Ask about any incomplete or inadequate responses. (4) Inquire about any concerns not addressed on the SPDS. (5) Review all other applicable documents, such as CC&R's, association bylaws, surveys, rules, and the title report or commitment. (6) Obtain professional inspections of the Property. (7) Investigate the surrounding area.

THE FOLLOWING ARE REPRESENTATIONS OF THE SELLER(S) AND ARE NOT VERIFIED BY THE BROKER(S) OR AGENT(S).

PROPERTY AND OWNERSHIP

- As used herein, "Property" shall mean the real property and all fixtures and improvements thereon and appurtenances incidental thereto, plus fixtures and personal property described in the Contract.

3. **PROPERTY ADDRESS:** 2014 N 17th St Phoenix AZ 85006-1917
(STREET ADDRESS) (CITY) (STATE) (ZIP)

4. Does the property include any leased land? Yes No

5. Explain: _____

6. Is the Property located in an unincorporated area of the county? Yes No If yes, and five or fewer parcels of land other than subdivided land are being transferred, the Seller must furnish the Buyer with a written Affidavit of Disclosure in the form required by law.

8. **LEGAL OWNER(S) OF PROPERTY:** Kijobi, LLC Date Purchased: May 2017

9. The Property is currently: Owner-occupied Leased Estate Foreclosure Vacant If vacant, how long? _____

10. If a rental property, how long? Unknown Expiration date of current lease: Various (Attach a copy of the lease if available.)

11. If any refundable deposits or prepaid rents are being held, by whom and how much? Explain: \$300 deposit for Unit 2014 lease ends 6/30/2018

12. \$600 deposit for Unit 2016 lease ends 10/8/2017; \$1295 deposit for Unit 2022 lease ends 6/30/2018

13. Is the legal owner(s) of the Property a foreign person pursuant to the Foreign Investment in Real Property Tax Act (FIRPTA)?

14. Yes No If yes, consult a tax advisor; mandatory withholding may apply.

15. Is the Property located in a community defined by the fair housing laws as housing for older persons? Yes No

16. Explain: _____

17. Approximate year built: 1955 . If Property was built prior to 1978, Seller must furnish the Buyer with a lead-based paint disclosure form.

18. **NOTICE TO BUYER: If the Property is in a subdivision, a subdivision public report, which contains a variety of information about the subdivision at the time the subdivision was approved, may be available by contacting the Arizona Department of Real Estate or the homebuilder. The public report information may be outdated. www.azre.gov.**

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BUYER	BUYER



Residential Seller's Property Disclosure Statement (SPDS) >>

- YES NO**
21. Have you entered into any agreement to transfer your interest in the Property in any way, including rental renewals or options to purchase? Explain: _____
22. _____
23. Are you aware if there are any association(s) governing the Property?
24. If yes, provide contact(s) information: Name: _____ Phone #: _____
25. Name: _____ Phone #: _____
26. If yes, are there any fees? How much? \$ _____ How often? _____
27. How much? \$ _____ How often? _____
28. Are you aware of any association fees payable upon transfer of the Property? Explain: _____
29. _____
30. Are you aware of any proposed or existing association assessment(s)? Explain: _____
31. _____
32. Are you aware of any pending or anticipated disputes or litigation regarding the Property or the association(s)?
33. Explain: _____
34. Are you aware of any of the following recorded against the Property? (Check all that apply):
35. Judgment liens Tax liens Other non-consensual liens
36. Explain: _____
37. Are you aware of any assessments affecting this Property? (Check all that apply):
38. Paving Sewer Water Electric Other
39. Explain: _____
40. Are you aware of any title issues affecting this Property? (Check all that apply):
41. Recorded easements Use restrictions Lot line disputes Encroachments
42. Unrecorded easements Use permits Other _____
43. Explain: _____
44. Are you aware if the Property is located within the boundaries of a Community Facilities District (CFD)?
45. If yes, provide the name of the CFD: _____
46. _____
47. Are you aware of any public or private use paths or roadways on or across the Property?
48. Explain: _____
49. Are you aware of any problems with legal or physical access to the Property? Explain: _____
50. The road/street access to the Property is maintained by the County City Homeowners' Association Privately
51. If privately maintained, is there a recorded road maintenance agreement? Explain: _____
52. Are you aware of any violation(s) of any of the following? (Check all that apply):
53. Zoning Building Codes Utility Service Sanitary health regulations
54. Covenants, Conditions, Restrictions (CC&R's) Other _____ (Attach a copy of notice(s) of violation if available.)
55. Explain: _____
56. _____
57. Are you aware of any homeowner's insurance claims having been filed against the Property?
58. Explain: _____

NOTICE TO BUYER: Your claims history, your credit report, the Property's claims history and other factors may affect the insurability of the Property and at what cost. Under Arizona law, your insurance company may cancel your homeowner's insurance within 60 days after the effective date. Contact your insurance company.

BUILDING AND SAFETY INFORMATION

62. **YES NO ROOF / STRUCTURAL:**
63. **NOTICE TO BUYER: Contact a professional to verify the condition of the roof.**
64. Are you aware of any past or present roof leaks? Explain: _____
65. _____
66. Are you aware of any other past or present roof problems? Explain: _____
67. _____

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	BUYER	BUYER



Residential Seller's Property Disclosure Statement (SPDS) >>

YES NO

68. Are you aware of any roof repairs? Explain: _____

69. _____

70. Is there a roof warranty? (Attach a copy of warranty if available.)

71. If yes, is the roof warranty transferable? Cost to transfer _____

72. Are you aware of any interior wall/ceiling/door/window/floor problems? Explain: _____

73. _____

74. Are you aware of any cracks or settling involving the foundation, exterior walls or slab? Explain: _____

75. _____

76. Are you aware of any chimney or fireplace problems, if applicable? Explain: _____

77. _____

78. Are you aware of any damage to any structure on the Property by any of the following? (Check all that apply):

79. Flood Fire Wind Expansive soil(s) Water Hail Other _____

80. Explain: _____

81. **WOOD INFESTATION:**

82. Are you aware of any of the following:

83. Past presence of termites or other wood destroying organisms on the Property?

84. Current presence of termites or other wood destroying organisms on the Property?

85. Past or present damage to the Property by termites or other wood destroying organisms?

86. Explain: _____

87. _____

88. Are you aware of past or present treatment(s) of the Property for termites or other wood destroying organisms?

89. If yes, date last treatment was performed: _____

90. Name of treatment provider(s): _____

91. Is there a treatment warranty? (Attach a copy of warranty if available.)

92. If yes, is the treatment warranty transferable?

93. **NOTICE TO BUYER: Contact Office of Pest Management for past termite reports or**

94. **treatment history. www.sb.state.az.us**

95. **HEATING & COOLING:**

96. Heating: Type(s) _____

97. Approximate Age(s) _____

98. Cooling: Type(s) _____

99. Approximate Age(s) _____

100. Are you aware of any past or present problems with the heating or cooling system(s)?

101. Explain: _____

102. **PLUMBING:**

103. Are you aware of the type of water pipes, such as galvanized, copper, PVC, CPVC or polybutylene?

104. If yes, identify: _____

105. Are you aware of any past or present plumbing problems? Explain: _____

106. _____

107. Are you aware of any water pressure problems? Explain: _____

108. Type of water heater(s): Gas Electric Solar Approx. age(s): _____

109. Are you aware of any past or present water heater problems? Explain: _____

110. _____

111. Is there a landscape watering system? If yes, type: automatic timer manual both

112. If yes, are you aware of any past or present problems with the landscape watering system?

113. Explain: _____

114. Are there any water treatment systems? (Check all that apply):

115. water filtration reverse osmosis water softener Other _____

116. Is water treatment system(s) owned leased (Attach a copy of lease if available.)

117. Are you aware of any past or present problems with the water treatment system(s)?

118. Explain: _____

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BUYER	BUYER



Residential Seller's Property Disclosure Statement (SPDS) >>

YES NO

119. **SWIMMING POOL/SPA/HOT TUB/SAUNA/WATER FEATURE:**
 120. Does the Property contain any of the following? (Check all that apply):
 121. Swimming pool Spa Hot tub Sauna Water feature
 122. If yes, are either of the following heated? Swimming pool Spa If yes, type of heat: _____
 123. Are you aware of any past or present problems relating to the swimming pool, spa, hot tub, sauna or water feature?
 124. Explain: _____

125. **ELECTRICAL AND OTHER RELATED SYSTEMS:**
 126. Are you aware of any past or present problems with the electrical system? Explain: _____
 127. _____
 128. Is there a security system? If yes, is it (Check all that apply):
 129. Leased (Attach copy of lease if available.) Owned Monitored Other _____
 130. Are you aware of any past or present problems with the security system? Explain: _____
 131. _____
 132. Does the Property contain any of the following systems or detectors?(Check all that apply):
 133. Smoke/fire detection Fire suppression (sprinklers) Carbon monoxide detector
 134. If yes, are you aware of any past or present problems with the above systems? Explain: _____
 135. _____

136. **MISCELLANEOUS:**
 137. Are you aware of any animals/pets that have resided in the Property? If yes, what kind: _____
 138. _____
 139. Are you aware of or have you observed any of the following on the Property? (Check all that apply):
 140. Scorpions Rabid animals Bee swarms Rodents Reptiles Bed Bugs Other: _____
 141. Explain: _____
 142. Has the Property been serviced or treated for pests, reptiles, insects, birds or animals? If yes, how often: _____
 143. Name of service provider(s): _____ Date of last service: _____
 144. Are you aware of any work done on the Property, such as building, plumbing, electrical or other improvements or alterations or room conversions? **(If no, skip to line 156.)**
 145. Explain: _____
 146. _____
 147. _____
 148. _____
 149. _____
 150. Were permits for the work required? Explain: _____
 151. If yes, were permits for the work obtained? Explain: _____
 152. Was the work performed by a person licensed to perform the work? Explain: _____
 153. Was approval for the work required by any association governing the property? Explain: _____
 154. If yes, was approval granted by the association? Explain: _____
 155. Was the work completed? Explain: _____
 156. Are there any security bars or other obstructions to door or window openings? Explain: _____
 157. Are you aware of any past or present problems with any built-in appliances? Explain: _____
 158. _____
 159. Are there any leased propane tanks, equipment or other systems on the Property? (Attach a copy of lease if available.)
 160. Explain: _____
 161. _____

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Residential Seller's Property Disclosure Statement (SPDS) >>

UTILITIES

162. **DOES THE PROPERTY CURRENTLY RECEIVE THE FOLLOWING SERVICES?**
- | YES | NO | | PROVIDER | |
|------|-------------------------------------|--------------------------|---|---------|
| 163. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Electricity: | APS |
| 164. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Fuel: <input checked="" type="checkbox"/> Natural gas <input type="checkbox"/> Propane <input type="checkbox"/> Oil | Unknown |
| 165. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Cable / Satellite: | Unknown |
| 166. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Internet: | Unknown |
| 167. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Telephone: | Unknown |
| 168. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Garbage Collection: | Unknown |
| 169. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Fire: | Unknown |
| 170. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Irrigation: | Unknown |
| 171. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Water Source: | |
| 172. | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> Public <input type="checkbox"/> Private water co. <input type="checkbox"/> Hauled water | |
| 173. | | | <input type="checkbox"/> Private well <input type="checkbox"/> Shared well If water source is a private or shared well, complete and attach | |
| 174. | | | Domestic Water Well/Water Use Addendum. | |

NOTICE TO BUYER: If the Property is served by a well, private water company or a municipal water provider, the Arizona Department of Water Resources may not have made a water supply determination. For more information about water supply, or any of the above services, contact the provider.

178. Are you aware of any past or present drinking water problems? Explain: _____
179. _____
180. U.S. Postal Service delivery is available at: Property Cluster Mailbox Post Office Other _____
181. Are there any alternate power systems serving the Property? (If no, skip to line 190.)
182. If yes, indicate type (Check all that apply):
183. Solar Wind Generator Other _____
184. Are you aware of any past or present problems with the alternate power system(s)? Explain: _____
185. _____
186. Are any alternate power systems serving the Property leased? Explain: _____
187. _____
188. If yes, provide name and phone number of the leasing company (Attach copy of lease if available): _____
189. _____

ENVIRONMENTAL INFORMATION

- | YES | NO | |
|------|--------------------------|---|
| 190. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any past or present issues or problems with any of the following on the Property? (Check all that apply): |
| 191. | | <input type="checkbox"/> Soil settlement/expansion <input type="checkbox"/> Drainage/grade <input type="checkbox"/> Erosion <input type="checkbox"/> Fissures <input type="checkbox"/> Dampness/moisture <input type="checkbox"/> Other |
| 192. | | Explain: _____ |
| 193. | <input type="checkbox"/> | <input checked="" type="checkbox"/> Are you aware of any past or present issues or problems in close proximity to the Property related to any of |
| 194. | | the following? (Check all that apply): |
| 195. | | <input type="checkbox"/> Soil settlement/expansion <input type="checkbox"/> Drainage/grade <input type="checkbox"/> Erosion <input type="checkbox"/> Fissures <input type="checkbox"/> Other _____ |
| 196. | | Explain: _____ |

NOTICE TO BUYER: The Arizona Department of Real Estate provides earth fissure maps to any member of the public in printed or electronic format upon request and on its website at www.azre.gov.

199. Are you aware if the Property is subject to any present or proposed effects of any of the following? (Check all that apply):
200. Airport noise Traffic noise Rail line noise Neighborhood noise Landfill Toxic waste disposal
201. Odors Nuisances Sand/gravel operations Other _____
202. Explain: _____
203. Are you aware if any portion of the Property has ever been used as a "Clandestine drug laboratory" (manufacture of, or storage of, chemicals or equipment used in manufacturing methamphetamine, ecstasy or LSD)?
204. _____

NOTICE TO BUYER: The Arizona Board of Technical Registration (BTR) maintains a list of unremediated sites at www.azbtr.gov. To determine if the property was once on the list but has been remediated, contact the BTR.



Residential Seller's Property Disclosure Statement (SPDS) >>

207. YES NO Are you aware if the Property is located in the vicinity of a public or private airport?
 208. Explain: _____

NOTICE TO SELLER AND BUYER: Pursuant to Arizona law a Seller shall provide a written disclosure to the Buyer if the Property is located in territory in the vicinity of a military airport or ancillary military facility as delineated on a map prepared by the State Land Department. The Department of Real Estate also is obligated to record a document at the County Recorder's Office disclosing if the Property is under restricted air space and to maintain the State Land Department Military Airport Map on its website at www.azre.gov.

214. YES NO Is the Property located in the vicinity of a military airport or ancillary military facility?
 215. Explain: _____
 216. YES NO Are you aware of the presence of any of the following on the Property, past or present? (Check all that apply):
 217. Asbestos Radon gas Lead-based paint Pesticides Underground storage tanks Fuel/chemical storage
 218. Explain: _____
 219. YES NO Are you aware if the Property is located within or subject to any of the following ordinances? (Check all that apply):
 220. Superfund / WQARF / CERCLA Wetlands area Natural Area Open Spaces
 221. YES NO Are you aware of any open mine shafts/tunnels or abandoned wells on the Property?
 222. If yes, describe location: _____
 223. YES NO Are you aware if any portion of the Property is in a flood plain/way? Explain: _____
 224. _____

NOTICE TO BUYER: Your mortgage lender [may] [will] require you to purchase flood insurance in connection with your purchase of this property. The National Flood Insurance Program provides for the availability of flood insurance and establishes flood insurance policy premiums based on the risk of flooding in the area where properties are located. Recent changes to federal law (The Biggert-Waters Flood Insurance Reform Act of 2012 and the Homeowner Flood Insurance Affordability Act of 2014, in particular) will result in changes to flood insurance premiums that are likely to be higher, and in the future may be substantially higher, than premiums paid for flood insurance prior to or at the time of sale of the property. As a result, purchasers of property should not rely on the premiums paid for flood insurance on this property previously as an indication of the premiums that will apply after completion of the purchase. In considering purchase of this property you should consult with one or more carriers of flood insurance for a better understanding of flood insurance coverage, current and anticipated future flood insurance premiums, whether the prior owner's policy may be assumed by a subsequent purchaser of the property, and other matters related to the purchase of flood insurance for the property. You may also wish to contact the Federal Emergency Management Agency (FEMA) for more information about flood insurance as it relates to this property.

239. YES NO Are you aware of any portion of the Property ever having been flooded? Explain: _____
 240. _____
 241. YES NO Are you aware of any water damage or water leaks of any kind on the Property? Explain: _____
 242. _____
 243. YES NO Are you aware of any past or present mold growth on the Property? If yes, explain: _____
 244. _____

SEWER/WASTEWATER TREATMENT

245. YES NO Is the entire Property connected to a sewer?
 246. YES NO If no, is a portion of the Property connected to a sewer? Explain: _____
 247. _____
 248. YES NO If the entire Property or a portion of the Property is connected to a sewer, has a professional verified the sewer connection?
 249. If yes, how and when: _____

NOTICE TO BUYER: Contact a professional to conduct a sewer verification test.

251. Type of sewer: Public Private Planned and approved sewer system, but not connected
 252. Name of Provider: _____

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BUYER	BUYER



Residential Seller's Property Disclosure Statement (SPDS) >>

- YES NO**
253. Are you aware of any past or present problems with the sewer? Explain: _____
254. Is the Property served by an On-Site Wastewater Treatment Facility? **(If no, skip to line 267.)**
255. If yes, the Facility is: Conventional septic system Alternative system; type: _____
256. If the Facility is an alternative system, is it currently being serviced under a maintenance contract?
257. If yes, name of contractor: _____ Phone #: _____
258. Approximate year Facility installed: _____ (Attach copy of permit if available.)
259. Are you aware of any repairs or alterations made to this Facility since original installation?
260. Explain: _____
261. _____
262. Approximate date of last Facility inspection and/or pumping of septic tank: _____
263. Are you aware of any past or present problems with the Facility? Explain: _____
264. _____

NOTICE TO SELLER AND BUYER: The Arizona Department of Environmental Quality requires a Pre-Transfer Inspection of On-Site Wastewater Treatment Facilities on re-sale properties.

OTHER CONDITIONS AND FACTORS

267. What other material (important) information are you aware of concerning the Property that might affect the buyer's decision-making process, the value of the Property, or its use? Explain: None that I am aware of.
268. _____
269. _____

ADDITIONAL EXPLANATIONS

270. _____
271. _____
272. _____
273. _____
274. _____
275. _____
276. _____
277. _____
278. _____
279. _____

280. **SELLER CERTIFICATION:** Seller certifies that the information contained herein is true and complete to the best of Seller's knowledge as of the date signed. Seller agrees that any changes in the information contained herein will be disclosed in writing by Seller to Buyer prior to Close of Escrow, including any information that may be revealed by subsequent inspections. Seller acknowledges receipt of Residential Seller Disclosure Advisory titled *When in Doubt — Disclose*.

284.  7/2/17 MO/DA/YR

^ SELLER'S SIGNATURE MO/DA/YR ^ SELLER'S SIGNATURE MO/DA/YR

Kijobi, LLC

285. **Reviewed and updated:** Initials: _____ / _____ MO/DA/YR

SELLER SELLER MO/DA/YR

286. **BUYER'S ACKNOWLEDGMENT:** Buyer acknowledges that the information contained herein is based only on the Seller's actual knowledge and is not a warranty of any kind. Buyer acknowledges Buyer's obligation to investigate any material (important) facts in regard to the Property. Buyer is encouraged to obtain Property inspections by professional independent third parties and to consider obtaining a home warranty protection plan.

290. **NOTICE:** Buyer acknowledges that by law, Sellers, Lessors and Brokers are not obligated to disclose that the Property is or has been: (1) the site of a natural death, suicide, homicide, or any other crime classified as a felony; (2) owned or occupied by a person exposed to HIV, diagnosed as having AIDS or any other disease not known to be transmitted through common occupancy of real estate; or (3) located in the vicinity of a sex offender.

293. **By signing below, Buyer acknowledges receipt only of this SPDS. If Buyer disapproves of any items provided herein, Buyer shall deliver to Seller written notice of the items disapproved as provided in the Contract.**

295. _____ MO/DA/YR ^ BUYER'S SIGNATURE MO/DA/YR

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