



Client Policies & Guide

LANDRIGAN & COMPANY

This guide is intended to enable our clients to make informed decisions. Agents of Landrigan & Company typically are not attorneys and cannot practice law. Should a client have a legal question, he or she is strongly advised to consult an attorney who specializes in real estate matters.

OUR AGENCY POLICIES.

An "Agency Relationship" is when one person represents the interests of another person, often in exchange for a fee or some sort of compensation. Real Estate salespersons and brokers ("agent") are licensed by the State of Indiana to represent people as they seek to sell, purchase, or lease real property. The responsibility of the real estate agent is defined by state law, the voluntary Code of Ethics published by the National Association of REALTORS, and general principals of "agency" law. A relationship formed between the agent and the client is called a fiduciary relationship. The agent owes the following duties to the client: Loyalty, Diligence, Confidentiality, Obedience, Disclosure, Accounting, and Reasonable Care. Courts usually strictly enforce the agency duties so that the client can rely on the agent to put the client's interest before those of anyone else. Indiana law also requires that the real estate agent be fair and honest to all parties in all aspects of the transaction.

The source of any commission or fee does not, by itself, determine an agency relationship. It can be paid by the Buyer, Seller, both, or neither, depending on arrangements and according to restrictions under applicable law. There must be, however advance written consent by all parties as to who is paying a fee or commission. When a Seller lists real estate for sale, the real estate licensee ("agent") working with the Seller becomes the Seller's agent to sell that particular piece of real estate. The Seller's agent owes all the fiduciary duties listed above only to the Seller, unless otherwise noted with the approval of the Seller. A Seller's agent must still treat Buyers in a transaction fairly and honestly. When a Buyer is represented by an agent, the real estate licensee working with the Buyer becomes the Buyer's agent as the Buyer seeks to purchase a particular piece of real estate. The Buyer's agent owes all the fiduciary duties listed above to the Buyer, unless otherwise noted with the approval of the Seller. A Buyer's agent must still treat Sellers in a transaction fairly and honestly.

There are times when, due to circumstance, a Seller's or Buyer's agent may become a "Limited Agent." A Limited Agent is generally described as being an agent who has an agency relationship with both a Buyer and Seller of a particular property. The situation may arise when a Buyer who is not working with a real estate agent becomes interested in a property that the Seller's agent has advertised. Thus, a limited agency arises when one agent has a relationship with two clients who have opposing goals. Example: A Seller typically wants the highest price for his or her property, while a Buyer usually wishes to purchase it for the least possible price. When a limited agency situation arises, the agent shall notify both parties that such is the case. From this point on, the agent cannot transmit confidential information from the Seller to the Buyer or from the Buyer to the Seller. The agent cannot give one client an advantage over the other client. The agent, or agents, must treat the interests of the Buyer and Seller equally.

INFORMED CONSENT TO LIMITED AGENCY

A buyer's agent often represents sellers of property as a seller's agent. A seller's agent often represents buyers of property as a buyer's agent. If you are a buyer and wish to see a property listed by your buyer's agent or the Principal Broker of Landrigan & Co., your agent has fiduciary duties to both you and the seller of that property, and those duties may be different or even adverse, as noted above. If you are a seller and your seller's agent or the Principal Broker of Landrigan & Co. shows your property to a buyer, your agent has fiduciary duties to both you and the buyer of that property, and those duties may be different or even adverse. By signing the "Acceptance of Disclosures" form found in this booklet, you hereby knowingly consent to your agent's acting as a limited agent if the situation arises.

With respect to this property, your Agent shall not disclose the following without the informed consent, in writing, of both you and the seller:

1. Any material or confidential information, except adverse material facts or risks actually known by agent concerning the physical condition of the property and the facts required by statute, rule, or regulation to be disclosed and that could not be discovered by a reasonable and timely inspection of the property by the parties;
2. That you will pay more than the offered purchase price for the property, if you are a buyer;
3. That you will accept less than the listed price for the property, if you are the seller;
4. Other terms that would create a contractual advantage for one party over another party;
5. What motivates a party to buy or sell the property.

In a Limited Agency situation, you agree that there will be no imputation of agency, knowledge, or information between any party and agent of Landrigan & Co. You understand that you do not have to consent to Limited Agency. However, you may choose to consent voluntarily to Limited Agency and waive any claim you now have or may have in the future against Landrigan & Co. or any of its affiliations or your agent for acting as a Limited Agent.

PROMOTION OF BUYERS' AND SELLERS' INTERESTS BY YOUR AGENT

Your Landrigan & Co. agent will represent your interests in either marketing and selling your property if he or she is acting as a seller's agent OR representing your interests in locating real estate if he or she is acting as a buyer's agent. Among the duties of your agent will be (depending on whether he or she is engaged as a buyer's or seller's agent):

1. (For Buyers) Seeking real estate with a price and contract terms satisfactory to you;
2. (For Sellers) Seeking a buyer for your property who is willing to pay a price and contract terms satisfactory to you;
3. (For Buyers & Sellers) Presenting all offers and counter offers to purchase to and from you immediately upon receipt, unless you otherwise direct;
4. (For Buyers) Disclosing to you adverse material facts or risks actually known by the licensee concerning the real estate transaction and facts required by statute, rule, or regulation to be disclosed and that could not be discovered by a reasonable and timely inspection of the real estate by the parties;
5. (For Sellers) Disclosing adverse material facts or risks discovered by you to the licensee and the buyer, and therefore, actually known by the licensee concerning the real estate transaction and facts required by statute, rule, or regulation to be disclosed and that could not be discovered by a reasonable and timely inspection of the real estate by the parties;
6. (For Buyers & Sellers) Timely accounting for all money and property personally received from or on behalf of you;

7. (For Buyers & Sellers) Exercising reasonable care and skill; and
8. (For Buyers & Sellers) Complying with all applicable laws.

LANDRIGAN & COMPANY AGENCY RELATIONSHIP POLICY

Indiana Law provides that a Licensee has an agency relationship with, and is representing, the individual with whom the Licensee is working unless a.) there is a written agreement to the contrary; or b.) the Licensee is merely assisting the individual as a customer. The Licensee (who is your broker or salesperson) at Landrigan & Co represents the interests of the Buyer as a Buyer's agent in the purchase of real estate and will represent the sellers in the listing and sale of real estate as a Listing Agent. Landrigan & Company licensees will practice disclosed limited agency in sales where the licensee represents both the seller and the buyer in a single transaction. Landrigan & Company's Licensee will make full disclosure and obtain the informed consent of the seller and buyer to limited agency either at the time of entering into a brokerage relationship or when the limited agency situation becomes known to the licensee. Landrigan & Company and its licensees will cooperate with all licensees operating as buyer agents, and will offer compensation through the Multiple Listing Service to licensees acting in that agency capacity. Neither Landrigan & Company nor its licensees will practice or cooperate with subagents.

Landrigan & Company will do the following:

When listing real estate, the Landrigan & Company. licensee will represent the interest of the seller or seller's agent to sell the property. Such licensee owes duties of trust, loyalty, confidentiality, accounting, and disclosure to the Seller. However, licensee must deal honestly with a buyer and disclose information about the property provided by the seller to the buyer. All representations made by the licensee about the property are made as the agent of the Seller. Licensee will provide the seller with a copy of Landrigan & Company's company policy regarding agency; describe to the seller the different agency relationships and the corresponding duties; disclose to the seller the potential of limited agency where the licensee representing the seller also represents the buyer interested in seller's real estate; and, obtain the seller's informed consent to the licensee's acting as a limited agent in writing containing the elements set forth in the Indiana Code.

When entering into an agency relationship with a buyer, the Landrigan & Company licensee will provide the buyer with a copy of Landrigan & Company's company policy regarding agency and describe to the buyer the duties of the licensee as a buyer's agent. If a Landrigan & Company licensee represents a buyer interested in real estate for which that licensee also represents the seller, the licensee will disclose to the buyer the potential of limited agency if the buyer is interested in a listing of the licensee and obtain the buyer's informed consent to the licensee's acting as a limited agent in writing containing the elements set forth in the Indiana Code.

Landrigan & Company will offer compensation to non-Landrigan & Company buyer agents through the Broker Listing Co-Operative/Multiple Listing Service. Landrigan & Co. will NOT make offers of subagency or cooperate with, compensate with, or otherwise associate with subagents on any real estate transaction. Landrigan & Company licensees will reconfirm the agency relationships with the parties in writing at the time of executing the purchase agreement.

A FEW DISCLOSURES AND SUGGESTIONS TO OUR CLIENTS

Landrigan & Co. would like to make sure that you are aware of the following:

Lead-Based Paint: If the home being sold or purchased was built on or around 1978, it may contain lead-based paint. Although most sellers of homes in the Indianapolis area have not tested their homes for the presence of lead-based paint, a buyer of a home in this age range should expect that the home will contain this. The U.S. government has prepared a pamphlet that explains the concerns of lead-based paint as well as ways to reduce either the levels of lead or to minimize their impact on the occupants. If there is any doubt as to the age of the building, you are advised to contact the county real estate administrator.

Consult An Attorney: Landrigan & Co. strongly advises its clients to consult an attorney who is familiar with local real estate laws and customs should any legal advice be needed. Landrigan & Co. and its associates are not qualified to practice law.

Lenders: While Landrigan & Co. has a working relationship with many of the area's most respected lending institutions and may suggest them to you, you are free to select the lender of your choice. Landrigan & Co. strongly urges you to become pre-approved with a respected lender prior to submitting an offer to purchase on a property. The lender should guide you in discussing precise financial arrangements that will be needed in an offer to purchase.

Inspectors: Landrigan & Co., nor its agents, does not endorse any single building inspector or inspection company. Further, if recommendations are requested of an agent by a client, several options, by Landrigan & Co. policy, will be provided. You are free to choose any inspector you wish, according to the terms of any purchase agreement you have entered into. The findings, or lack of findings, of any inspection are not warranted or guaranteed by Landrigan & Co., its affiliates, agents, or its sales associates. You are strongly encouraged to personally attend the inspection and query the inspector with regards to the condition of the property and its buildings, mold, radon gas, lead-based paint, and wood-destroying insect infestation.

Earnest Money/Escrow Money: It is customary for a buyer of a property to provide earnest money when presenting an offer to purchase. The amount of the earnest money is a matter of negotiation between the buyer and seller. The earnest money will be deposited, by law in the Listing Broker's escrow account within two banking days of the acceptance of the offer. Most such escrow accounts are non-interest bearing accounts. The handling of the earnest money should be discussed in the purchase agreement.

Multiple Listing Information: Buyer is hereby advised and understands that the information in the Broker Listing Co-Operative/Multiple Listing System (BLC/MLS) is believed to be accurate, but is not warranted or guaranteed by Landrigan & Co., its affiliates, agents, or sales associates. The MLS is maintained by the Metropolitan Indianapolis Board of Realtors and is funded by its members.

No Warranties: Buyer/Seller agrees that Landrigan & Co., its affiliates, agents, or sales associates have not nor will they make any warranties or guarantees implied or otherwise, regarding real estate or its improvements, as to the condition or functioning of fixtures, equipment or component parts thereof; such as, but not limited to septic systems, wells, heating equipment, swimming pools, surface drainage, mold, radon, lead based paint contamination or other environmental issues, school systems, square footage, room sizes, or suitability for any proposed, current, or previous use.

Real Estate Taxes: In order to determine the current status of real estate taxes, Buyer is advised to make a direct contact with the township assessor's office and/or county treasurer's office concerning such real estate taxes or other governmental fees concerning the property. PLEASE NOTE that newly constructed or remodelled homes may not be fully or properly assessed. Further, every property is periodically reassessed which may result in dramatically increased or decreased taxes in the future. You may be able to reduce your real estate taxes by filing various Exemptions or Credits such as the Homestead, Mortgage, Old-Age, and Disabled exemptions.

Seller's Residential Real Estate Disclosure / Lead Based Paint Disclosure: If you are selling your home, Indiana law requires that you complete the Seller's Residential Real Estate Sales Disclosure to disclose to potential buyers any defects you know about in or on your property. Sellers must make the completed form available for a buyer before the seller accepts any offer to purchase seller's property. Likewise, if you are selling a home built before 1978, you are required to disclose any known lead-based paint or lead-based paint hazards in your home by completing the Lead-Based Paint Certification and Acknowledgement form. You must give this form to buyers interested in your property. Any buyer of such a property should also be provided a copy of "Protect Your Family From Lead-Based Paint in Your Home" by your agent. If you do not receive this booklet, contact us as soon as possible and it will be provided to you free of charge.

Title Insurance: It is customary in the Indianapolis area that the Seller of a property selects the title company that will provide the title insurance. Landrigan & Co. recommends that the Extended ALTA 98 Title Insurance policy is provided on all transactions. Your title company can outline the differences between this and other forms of title insurance. If you are the seller of a property, it is possible that you may be eligible for a discount from the title company if you are able to provide a copy of your most recent title insurance.

Home Warranties: Home warranty programs can add value to a Seller's home while protecting it against unexpected repairs during the listing period. Buyers gain assurance that the home they are buying will be covered in some way against potential costly repairs for a period of time, usually at least one year, following the closing of the transaction. Landrigan & Co. and its agents may suggest home warranty companies. The actual selection of a company is entirely up to the buyer and/or seller. Landrigan & Co. and its agents may receive a nominal administrative fee from whatever warranty company is selected. Landrigan & Co. does not guarantee the performance of any warranty company.

New Construction: Landrigan & Co., its affiliates, and its sales associates do not make any representations, warranties, or guarantees with respect to the timely or satisfactory completion of the improvements located or to be located on the real estate by any seller/builder, pursuant to the terms of the Purchase Agreement. This includes, but is not limited to, the timely or satisfactory completion of such improvements, the quality or quantity of the materials and supplies used in the construction of such improvements, the condition or functioning of any fixtures, equipment or component parts thereof installed with such improvements. You are further advised that such representation, warranties, or guarantees, if any, are those of the Seller/Builder. In the event your Purchase Agreement provides for cost allowances for certain items to be included in the sales price of the real estate (such as, but not limited to, carpeting, appliances, landscaping, etc.), and should you select items which cost more than the stated allowances for each such item, you will be required to pay for all costs in excess of the stated allowances. Landrigan & Co. strongly suggests that you employ the services of a qualified building inspector during and following construction.

Items To Be Included In Sale: The Purchase Agreement governs what is included in a sales transaction. It is understood that if any of the following items are to be included in the sale that they must be written in the Purchase Agreement in order to avoid confusion: Fireplace screens/glass doors/grate/tools, gas logs in fireplace, decorative electric fireplaces, window air conditioning units/ceiling fans, draperies and curtains, carpets (except wall-to-wall carpets), all attached interior and exterior swag lamps, all attached mirrors, all attached wall shelves and brackets including those in the garage, trash compactor/incinerator, refrigerators/icemakers, range/ovens, washers/dryers, dishwashers, smoke alarms, burglar alarms, security systems (monthly maintenance fees may be associated with alarms), water treatment systems (make sure to determine if it is rented), gas grills, gas lights, basketball goals, swing sets, children's playhouses, storage sheds, cupola/weathervane, all fencing (including "invisible fences" for pets), LP gas tank and remaining gas, oil in tank, workbench, disposition of escrow and assumption if assuming current financing, firewood, fuel adjustment, garden benches/statuary/produce, any other items that might cause a misunderstanding between parties.

Bank Owned Properties (REO's): In most cases, bank owned properties are purchase in an "as-is",

"where-is" condition. Indiana law does not require the bank to complete a Residential Seller's Disclosure since the bank usually does not have knowledge to the condition of the property. Landrigan & Co., its affiliates, its agents, and its sales agents do not make any warranties, implied, written, or otherwise concerning the condition of the property. In addition, Buyers of bank owned properties should be aware that they may be asked to pay costs that are normally considered to be seller's costs on behalf of the bank such as title insurance, repairs required for closing, etc.

Fair Housing And Civil Rights Policies: According to the Federal Fair Housing Laws, the Fair Housing Act of 1988 -- Title VIII, and state and local laws, Landrigan & Company, its affiliates, its agents, and its sales agents do not participate in discrimination of any kind on the basis of race, color, religion, sex, national origin, familial status, sexual orientation, gender identity, or handicapped status. In every dealing with consumers, Landrigan & Company, their agents, and staff will always treat all parties equally, will always encourage buyers to live in whatever area they desire, will explain the law to the sellers, and will refuse to represent or employ any party that refuses to abide by the law or the spirit of the law. Landrigan & Company, practices Equal Opportunity in every aspect of its business operations.

Disabilities Act: The "Americans With Disabilities Act of 1990" was passed to afford civil rights protection to disabled Americans not previously provided for under Federal civil rights laws. Landrigan & Co., its affiliates, agents, and sales agents will not discriminate against people with any kind of disability and will make every effort to accommodate their needs. Specifically mentioned in the definition of "disability" are persons who have AIDS. If our agents or staff are asked if anyone in a household has or has had AIDS, the only answer acceptable is that, "People who have AIDS are protected by the Federal Disabilities Act and, therefore, we cannot ask homeowners if anyone in the household has AIDS. If, by chance, we know that someone in the household has AIDS, it is against the law for us to disclose that fact."

Megan's / Zachary's Law: Registration of Sex Offenders, otherwise known as Megan's Law was signed into federal law on 17 May 1996. As a result, local law enforcement agencies in all fifty US states must notify schools, day care centers, and parents about the presence of dangerous offenders in their area. By forming partnerships with legislators, law enforcement, and the private sector, organizations and concerned citizens have a source to research the location of sex offenders. In 1994, Indiana adopted Senate Bill 24 which requires offenders convicted of certain child sexual assault offenses to register with all local law enforcement authorities in the communities where they live for ten years following their release from custody, probation, or parole. The new law is known as Zachary's Law. The law also directs the Indiana Criminal Justice Institute to compile a statewide registry containing information regarding certain convicted child sexual assault offenders. Information in the statewide registry is available beginning in January 1995 and is updated at least every six months. Since sellers and buyers may not be aware if a registered sex offender lives in the neighborhood, Landrigan & Co., its affiliates, its agents, and its sales agents hereby advise parents or any concerned party to research this issue by calling the local police, state police, and/or by accessing the information provided at the following internet links: www.state.in.us/cji/html/sexoffender.html and www.klaaskids.org/pg-legmeg.htm. Please bear in mind that Landrigan & Co., its affiliates, and its sales agents do not guarantee or warrant any information provided by these governmental agencies or by the internet links.

Anti-Trust Policies & Guidelines: Landrigan & Co., its affiliates, its agents, and its sales agents shall be guided by and comply with all Anti-Trust Policies and Guidelines including, but not limited to: The commission rates of Landrigan & Co. are based upon the cost of services provided, the value of these services to our clients, and competitive market conditions. Commission rates are not determined by agreement with, or recommendation or suggestion from, any person not a party to the listing agreement with the Company. When soliciting or negotiating a listing agreement, no person affiliated with Landrigan & Co. shall disparage the business practices of any other real estate firm, nor suggest that Landrigan & Co., or any other firm, will not cooperate with any other real estate firm.

Square Footage / Lot Size: In order to ascertain the accurate square footage of the Property or real estate being purchased, the Buyer is advised to verify the square footage via an Appraisal. The square footage published in the Multiple Listing Service (MLS) is believed to be accurate, but is not guaranteed and is

not warranted or certified by Landrigan & Co., its affiliates, its agents, or its sales agents. Likewise, a Buyer who desires to know the lot size of the Property or real estate is strongly advised to consult a qualified surveyor. The lot size published in the Multiple Listing Service (MLS) is believed to be accurate, but is not guaranteed and is not warranted or certified by Landrigan & Co., its affiliates, its agents, or its sales agents.

School Systems: The school system for a particular property as listed on the MLS is believed to be accurate, but is not guaranteed by Landrigan & Co., its affiliates, its agents, or its sales agents. School system lines are often changed and are irregular. If a school system is critical to the Buyer's choice of location of their future home, Buyers should always confirm the school system in which a property is located through the actual school administration office and should ask if there are any known plans for changes in the future. It is best to get this information in writing from an authority of the school system.

Mold Disclosure and Release: Buyers and Sellers are hereby advised that mold and/or other microscopic organisms may exist at the property and may cause physical injuries including, but not limited to, allergic and /or respiratory reactions or other problems, particularly in persons with immune system problems, young children, and/or elderly persons. Buyer/Seller acknowledges and agrees to accept full responsibility/risk for any matters that may result from microscopic organisms and/or mold and to hold harmless, release and indemnify Listing Broker, Selling Broker, their agents, heirs, executors, administrators, and successors from any liability/recourse/damages (financial or otherwise). Landrigan & Co., its affiliates, its agents, and its sales agents are not qualified to inspect property for mold or make recommendations or determinations concerning possible health or safety issues. The purpose of this disclaimer is to put Buyers and Sellers on notice to conduct their own due diligence regarding this matter using appropriate, qualified experts, chosen and paid for by the Buyers.

GLOSSARY OF TERMS & APPROXIMATE FEE AMOUNTS

These are terms that you may encounter in a real estate transaction. If it is a fee, the number given is an approximation based on what Landrigan & Co. has seen in the Indianapolis area. The actual cost may vary depending on the subject property, its location, price, terms of the purchase agreement, and other variables. Costs will also vary depending on the specific lender, title company, and/or other service provider. This explanation is to be used only as a guideline to understand the kind of expenses that may be encountered in purchasing/selling real property. Your agent, title company, and/or lender will provide you with actual costs during the transaction and at the time of closing.

Appraisal Fee - \$375 and up. The appraisal fee pays an appraiser to research and assess the market value of the property. Instead of being charged separately, this fee may be charged as part of a mortgage application fee. The mortgage application fee usually consists of the appraisal fee and the credit report fee.

Credit Report fee - \$75. This is charged to pay a credit service bureau to provide the lender with a report detailing a borrower's credit history. If two or more non-married people are buying property together, there will usually be a credit report fee charged for each individual.

Discount points - These are fees charged by lenders that essentially lower the interest rate of your loan. A "point" equals 1% of the loan amount. A borrower may typically be charged 0-2 "points", depending on the interest rate he or she selects. Your lender will more fully explain this to you.

Document Preparation Fee - Approximately \$155. This is sometimes charged by lenders to offset costs associated with preparing paperwork for a loan closing.

Document Protection Fee/Transaction Fee - Some real estate firms charge a fee ranging from \$150-\$300 per transaction in addition to a commission percentage. Landrigan & Co. does not charge such a fee. We caution our clients to carefully read their contracts before signing them in order to make sure that they will not be expected to pay such a fee. Please remember that real estate firms are required by law to maintain essential documents of a transaction for five years. Should you need a copy of a document,

Landrigan & Company will be happy to provide it to you upon request.

Flood Certification Fee - This fee is often charged by the lender in order to ascertain whether or not the property lies within a flood zone. This fee is usually in the \$15-25 range. Should the property be found to lie in a flood zone, you will usually be required to pay for special flood insurance. This insurance ranges in price, depending on location and value of home.

Home Inspections - Range from \$200 - over \$1,000 depending on the size of the home. Most inspections seem to be in the \$300-\$500 range for a typical Indianapolis home. Buyers are free to select their own inspector. Some inspectors belong to professional groups such as the American Society of Home Inspectors. Others do not. Most general inspections inspect the electrical, plumbing, and structural systems of a building. Those having inspections are also advised to speak with their inspectors, agents, and others about the advisability of obtaining radon, wood destroying insect infestation, lead-paint, and other "extra" inspections, at additional cost.

Lender Re-Inspection Fee - This fee may be charged by a lender if it is necessary for it to re-inspect a property after an appraisal/evaluation has already been done. For example, a re-inspection may be necessary if work is being done to a property and was not been completed when the appraiser visited the property.

Loan Origination Fee - Many lenders will charge a fee of 1% of the loan amount, depending on the circumstances and terms of the loan.

Pre-Payment Penalty - Some mortgages, particularly those arranged for buyers with imperfect credit scores, will include a clause that precludes full payment of the loan within the first few years of the term of the mortgage unless a substantial penalty fee is paid. We encourage our clients to review their mortgage documents carefully prior to and during the closing.

MIP or PMI - Mortgage Insurance Premium - Insurance written to protect the mortgage lender against loss is cured by a mortgage default, thus enabling the lender to lend a higher percentage of the sales price. This protects the lender if you default on your loan and the equity in the property is not sufficient to cover any losses the lender incurs as a result of that default. The cost varies depending on the type of loan and loan-to-value ratios. Typically this will be charge to loans where the buyer is seeking financing for more than 80% of the value of the property. This is NOT to be confused with insurance products that will cover your month to month mortgage payments should you not be able to do so due to death or illness.

Prepaid Interest - Prepaid interest (on a per diem basis) is calculated by multiplying the loan amount by the annual interest rate and dividing that number by 360 or 365 (depending on the lender).

Preparation of Deed and Affidavit - \$50-75 approximately. The cost paid to an attorney, usually selected by the title company, to prepare the Deed and Vendor's Affidavit.

Processing Fee - This is a general term for a type of fee charged by some lenders to offset the costs lenders incur in processing and/or reviewing a borrower's application for a mortgage loan.

Professional Service Fee/Broker Fee - This is the fee that the real estate broker or salesperson charges, typically, the seller of home that he or she is hired to market for sale or rent and to negotiate and manage the details of to a successful closing. Any agent representing the buyer is usually co-operatively paid from this amount, unless otherwise stated in writing. This fee is usually a percentage of the gross sales price.

Recording Fee - \$45-100 This fee is charged by the local or state Recorder's Office to file and record the mortgage documents, deed, affidavit, and other necessary documents as public record. The fee is VARIABLE and depends on the number of pages of documents that need to be recorded.

Survey Fees - There are two types of surveys. The first is the surveyor location report that is frequently called an "unstaked" survey. The fee for this is usually in the \$150-200 range. The second type of survey is the "staked" survey. This is a more accurate survey and is essential for building additions, fence lines, etc. The fee for this can vary widely, from \$300 - \$2500 or more, depending on the size and location.

Tax Service Fee - \$65 - \$85 This is a fee paid to the lender that compensates the company that establishes and manages the escrow accounts.

Title Search/Examination/Commitment Fee - The majority of this fee is usually paid by the Seller. The cost varies according to the purchase price of the property. These fees are charged to pay for the cost of

researching and/or examining the records of the county in which the property lies to determine that the title to the property is free and clear of all defects, liens, and encumbrances that could affect the use and/or value of the property.

Settlement or Closing Fee - \$250 - \$375 This fee is charged by the title and/or closing company to prepare all the documents for closing and to insure the closing for the lender.

Underwriting Fee - \$295 - \$300 This fee pays the mortgage underwriter to review the mortgage file and approve the underwriting of the mortgage. It is a lender charge and the cost varies between lenders.

RECEIPT OF LANDRIGAN & COMPANY POLICIES

I hereby acknowledge receipt of the Landrigan & Co. Client Policy & Information Guide which contains, among other things:

*Landrigan & Co. Policy Regarding Agency
Agency Relationship Explanation
Buyers & Sellers Notices & Informed Consents to Limited Agency
Disclosures, Recommendations, and Explanations
Notice of the Availability of Home Warranties*

Buyer and Seller understands that Buyer or Seller does not have to consent to Licensee(s) acting as limited agent(s), but gives informed consent voluntarily to limited agency and waives and claims, damages, losses, expenses (including attorneys' fees and costs) against Licensee(s) arising from Licensee's(s') role of limited agents.

By signing below, Buyer or Seller acknowledges that Limited Agency Authorization has been read and understood. I have read the Informed Consent to Limited Agency and consent to my agent acting as a limited agent if the situation arises. I have read the Landrigan & Co. Client Policy & Information Guide affecting the transaction process. I have been informed of the availability of Home Warranty Insurance and hereby indicate that I would like _____ I would not like to receive _____ further information regarding home warranties. I have been provided a glossary of certain typical closing costs, fees as well as definitions of selected real estate terms. I further permit Landrigan & Co. and its agents to contact me by telephone, facsimile machine, email, or by other means even if I am or will be listed on any local, state, or national "Do Not Call" list. I understand that I may withdraw this permission by writing Landrigan & Co. and stating this desire.

This Guide was given to me by _____, an agent with Landrigan & Co.

Name and Date

Name and Date

Landrigan & Company, Agent and Date