



**SELLER'S DISCLOSURE OF REAL PROPERTY CONDITION REPORT
NEW CONSTRUCTION ONLY
State of Delaware**

Approved by the Delaware Real Estate Commission (Effective Date: August 1, 2025)

Seller(s) Name: Schell Brothers LLC

Property Address: _____

When Was the Home Completed: TBD **Date Purchased:** _____

Chapter 25, Title 6 of the Delaware Code, requires a Seller of residential property to disclose in writing all material defects of the property that are known at the time the property is offered for sale or that are known prior to the time of final settlement. Residential property means any interest in a property or manufactured housing lot, improved by dwelling units for 1-4 families. The disclosure must be made on this Report, which has been approved by the Delaware Real Estate Commission and shall be updated as necessary for any material changes occurring in the property before final settlement. This Report shall be given to all prospective Buyers prior to the time the Buyer makes an offer to purchase. This Report, signed by Buyer and Seller, shall become a part of the Agreement of Sale. This Report is a good faith effort by the Seller to make the disclosures required by Delaware law and is not a warranty of any kind by the Seller or any Agents or Sub-Agents representing Seller or Buyer in the transfer and is not a substitute for any inspections or warranties that the Seller or Buyer may wish to obtain. The Buyer has no cause of action against the Seller or Real Estate Agent for material defects in the property disclosed to the Buyer prior to the Buyer making an offer; material defects developed after the offer was made but disclosed in an update of this Report prior to settlement, provided Seller has complied with the Agreement of Sale; or material defects which occur after settlement.

By Delaware Law, the builder contracting with an owner to build a new dwelling for one or two families must offer an option of purchasing an automatic fire sprinkler system or other requested fire suppression system. For more information ask your builder and visit: <https://statefiremarshal.delaware.gov/> or for the brochure: https://statefiremarshal.delaware.gov/wp-content/uploads/sites/110/2017/07/Home_Sprinkler_Brochure.pdf.

This Disclosure may have been completed by the Seller as a master form for a development. This Disclosure is intended to disclose information about the property and home on the property or to be built. Any conflicts between disclosures on this form and the Agreement of Sale shall be governed by the Agreement of Sale or change orders agreed to by Buyer. Applicable change orders, specification sheets, buyer selections, or permitted substitutions shall constitute an update to this disclosure.

Seller shall answer all the following questions based on Seller's knowledge of the property.

Yes	No	*
		* Write in U if Unknown or NA if Not Applicable, otherwise mark either the Yes or No column. Where selections are requested, place a check mark next to each correct answer or fill in the correct answer. Certain answers require a further explanation in Section XI. Seller shall answer all the following questions based on Seller's knowledge of property.
		I. OCCUPANCY
	✓	1. Has a certificate of occupancy been issued? If yes, when _____.
		2. If #1 is yes, STOP USING THIS FORM and complete the full version of the Seller's Disclosure of Real Property Condition Report. If #1 is no and a certificate of occupancy is issued after this disclosure is completed and prior to Seller receiving an Agreement of Sale from Buyer, Seller will provide Buyer with the full version of the Seller's Disclosure of Real Property Condition Report.
	✓	3. Is the property encumbered by a (☐ rental/lease), (☐ option to purchase), or (☐ first right of refusal)? If yes, describe in XI. Seller agrees to provide a copy to Buyer upon request.

Page **1** of **8** Property Address: Riverwood

Seller's Initials _____ Seller's Initials _____ Buyer's Initials _____ Buyer's Initials _____

Seller's Initials _____ Seller's Initials _____ Buyer's Initials _____ Buyer's Initials _____

Yes	No	*	
			* Write in U if Unknown or NA if Not Applicable, otherwise mark either the Yes or No column. Where selections are requested, place a check mark next to each correct answer or fill in the correct answer. Certain answers require a further explanation in Section XI. Seller shall answer all the following questions based on Seller's knowledge of property.
			II. DEED RESTRICTIONS, HOMEOWNERS ASSOCIATIONS/CONDOMINIUMS AND CO-OPS
☒			4. Is the property subject to any deed restrictions? (e.g., HOA/condominium restrictions, rental restrictions, pet restrictions, fence requirements, etc.) If yes, describe in XI.
	☒		5. Is the property subject to any agreements concerning affordable housing or workforce/inclusionary housing? If yes, describe in XI.
☒			6. Is the property subject to any private, public, or historic architectural review control other than building codes? If yes, describe in XI.
☒			7. Is the property part of a condominium, cooperative (Co-op) or planned community?
			8. If #7 is yes, Seller warrants that the property (☐ is) or (☒ is not) exempt from providing the buyer with a Public Offering Statement as described in §81-401 or §81-403(b) of Chapter 81, Title 25 of the Delaware Code, The Delaware Uniform Common Interest Ownership Act. If not exempt, in compliance with §317A of Chapter 3, Title 25, Seller has attached a copy of all documents in the chain of title that create any financial obligation for the buyer, and a written summary of all financial obligations created by documents in the chain of title. As evidenced by signature below, buyer has received a copy of these documents.
☒			9. Is there a (☒ Homeowners Association), (☐ Condominium Association), (☐ Cooperative (Co-op)), (☐ Civic Association), or (☐ Maintenance Corporation)?
☒			10. If #9 is yes, are there any (☐ Fees), (☒ Dues), (☐ Assessments), or (☐ Bonds) involved? If yes, how much? \$235.67/month; Frequency of payments: (☒ Monthly), (☐ Quarterly), (☐ Yearly), (☐ Other: _____); Are they (☒ Mandatory) or (☐ Voluntary)?
☒			11. Is there a capital contribution fee due by a new owner to the Association? If yes, how much \$2,100.00?
	☒		12. Are there any assessments including but not limited to deferred water and sewer charges for your property? If yes, how much? If yes, describe in XI.
	☒		13. Is there any defect, damage, or problem with any common elements or common areas? If yes, describe in XI.
	☒		14. Have you received written notice of any new, proposed, or board discussed increase in fees, dues, assessments, or capital contributions? If yes, describe in XI.
	☒		15. Is there any pending litigation concerning the property, development, amenities, or association?
			16. Management Company Name: <u>SeaScape Property Management</u>
			17. Representative Name: <u>Pam Rossi</u> Phone # <u>302-645-2222</u>
			18. Representative Email Address: <u>Prossi@seascapepm.com</u>
	☒		19. Are you aware of any unusual bonds or assessments for improvements that apply to this property or the surrounding area? If yes, describe in XI.
			20. Snow removal and deicing services on streets are the responsibility of: <u>HOA</u>
			III. TITLE / ZONING INFORMATION
			21. Is the property owned (☒ In fee simple) or (☐ Leasehold/Ground Lease) or (☐ Cooperative)?
			22. If a Leasehold/Ground Lease, what is the current lease amount? \$ _____; Frequency of payments: (☐ Weekly), (☐ Monthly), (☐ Quarterly), (☐ Yearly), (☐ Other: _____)
			Note: May be subject to change.
			23. If a Leasehold/Ground Lease, when does it expire? _____
☒			24. Are you aware of any right-of-ways, easements, or similar matters that may affect the property? If yes, describe in XI.
☒			25. Are you aware of any shared maintenance agreements affecting the property? If yes, describe in XI.
	☒		26. Are you aware of any variance, zoning, conditional use, non-conforming use, or setback violations? If yes, describe in XI.
		N	27. If #26 is yes, has the variance, conditional use, or non-conforming use expired or has otherwise become non-transferable? If yes, describe in XI.
	☒		28. Are there any unsatisfied mechanics liens filed against the property?
	☒		29. Does the amount owed on your mortgages and other liens exceed the estimated value of the property?
		N	30. If #29 is yes, are additional funds available from Seller for settlement?

Yes	No	*	
* Write in <i>U</i> if Unknown or <i>NA</i> if Not Applicable, otherwise mark either the Yes or No column. Where selections are requested, place a check mark next to each correct answer or fill in the correct answer. Certain answers require a further explanation in Section XI. Seller shall answer all the following questions based on Seller's knowledge of property.			
IV. ADDITIONAL INFORMATION			
	✓		31. Have you received notice from any local, state, or federal agency requiring repairs, alterations, or corrections of any existing conditions? If yes, describe in XI.
	✓		32. Is there any existing legal action affecting this property? If yes, describe in XI.
	✓		33. Do you know of any violations of local, state, federal laws or regulations relating to this property? If yes, describe in XI.
			34. What is the type of trash disposal? (☒ Private), (☐ Municipal), (☐ County) or (☐ Other _____).
			35. The cost of repairing and paving the streets adjacent to the property is paid for by:
			☐ The property owner(s), estimated fees: \$ _____
			☐ Delaware Department of Transportation or the State of Delaware
			☐ Municipal
			☒ Community/HOA
			☐ Other _____
			☐ Unknown
Note to Buyer: Repairing and repaving of the streets can be very costly. (6 Delaware Code§ 2578)			
	✓		36. Is off-street parking available for this property? if yes, number of spaces available: <u>Driveways & Amenity Area Only</u>
	✓		37. Have you received formal notice from any local, state, or federal agency of any changes that may materially or adversely affect the property? e.g., threat of condemnation, noise, bright lights, odors, other nuisances, zoning changes, road changes, proposed utility changes, etc. If yes to any, describe in XI.
V. ENVIRONMENTAL CONCERNS			
	✓		38. Are you aware of any present or previous industrial underground storage tanks (UST) or toxic substances present on this property (structure or soil) such as PCB's, solvents, hydraulic fluid, petro chemicals, hazardous wastes, or others? If yes, describe in detail in section XI.
		N	39. If #38 is yes, please describe remediation remedy in section XI.
	✓		40. Has the illegal manufacture, storage, or use of methamphetamines occurred on the property? If yes, describe in XI.
	✓		41. Are there now or have there been any underground storage tanks on the property? (☐ Heating fuel), (☐ Propane), (☐ Septic), or (☐ Other: _____). If yes, describe locations in XI.
		N	42. If any tank was abandoned, was it done with all necessary permits and properly abandoned?
	✓		43. Is there a wastewater spray irrigation system (human or agricultural) installed on or adjacent to the property?

Yes	No	*	AOS	
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VI. LAND (SOILS, DRAINAGE, AND BOUNDARIES)				
✓				44. Is there any fill soil or other fill material on the property?
	✓			45. Are there sliding, settling, earth movement, upheaval, earth stability, or methane gas release problems that have occurred on the property or in the immediate neighborhood? If yes, describe in XI.
✓				46. Is any part of the property located in (☒ a flood zone) and/or (☒ a wetlands area)?
	✓			47. Are there any drainage or flood problems affecting the property? If yes, describe in XI.
	✓			48. Do you carry flood insurance? Agent: _____ Policy # _____
				49. If #48 is yes, what is the annual cost of this policy? _____
			✓	50. Does the property have a sump pump? If yes, where does it drain? _____
	✓			51. Do you know of any encroachments or boundary line disputes affecting the property? If yes, describe in XI.

Yes	No	*	AOS	
	✓			* Write in <i>U</i> if Unknown or <i>NA</i> if Not Applicable, otherwise mark either the Yes or No column. Where selections are requested, place a check mark next to each correct answer or fill in the correct answer. Certain answers require a further explanation in Section XI. For sections VI, VII, VIII, IX and X, an answer marked as AOS means that question is covered by the Agreement of Sale, addendums, exhibits, builder specifications, or Buyer selections.
		N		Seller shall answer all the following questions based on Seller's knowledge of property.
	✓			52. Are there any ditches crossing or bordering the property? If yes, describe in XI.
				53. If #52 is yes, is it a tax ditch?
	✓			54. Are there any swales crossing the property that are under the control of a Soil and Conservation District? If yes, describe in XI.
✓				55. Has the property ever been surveyed?
✓				56. Are the boundaries of the property marked in any way? If yes, describe in XI.
				VII. PLUMBING-RELATED ITEMS
				57. What is the drinking water source? (☐ Municipal), (☐ County), (☒ Public Utility), (☐ Private Well), (☐ Other: _____)
				58. If drinking water is supplied by public utility, name of utility: <u>Artesian</u> .
		N		59. If water source is a well, when was it installed? _____ Location of well? _____ Depth of well? _____. If more than one well, describe in XI.
				60. What type of plumbing is used for the Water Supply? (☐ Copper), (☐ Lead), (☐ Cast Iron), (☒ PVC), (☐ PEX), (☐ Polybutylene), (☐ Galvanized), (☐ Other/Unknown: _____)
				61. What type of plumbing is used for Drainage? (☐ Copper), (☐ Lead), (☐ Cast Iron), (☒ PVC), (☐ Galvanized), (☐ Other/Unknown: _____)
				62. Water Heater Type: (☐ Tank), (☒ Tankless), (☐ Other: _____)
				63. Water Heater Fuel: (☐ Electric), (☐ Oil), (☐ Propane Gas), (☒ Natural Gas) or (☐ Other: _____)
				64. What is the type of sewage system? (☒ Public Sewer), (☐ Community Sewer), (☐ Septic System), (☐ Other: _____)
				65. If a septic system, type: (☐ Gravity Fed), (☐ Capping Fill), (☐ LPP), (☐ Mound), (☐ Holding Tank), (☐ Other: _____)
				66. If a septic system, how many bedrooms is the septic permitted to service? _____
				67. Are there any (☒ sewer \$ 10,813.00) or (☒ water \$ 2,100.00) connection charges to be paid by the buyer?
				VIII. HEATING AND AIR CONDITIONING
			✓	68. How many heating and/or air conditioning systems are on the property? _____. If more than 2, explain in XI.
			✓	69. Type of heating system for system #1 (☐ Forced air), (☐ Heat pump), (☐ Mini-Split), (☐ Baseboard), (☐ Radiator), (☐ Other: _____) Type of heating system for system #2 (☐ Forced air), (☐ Heat pump), (☐ Mini-Split), (☐ Baseboard), (☐ Radiator), (☐ Other: _____)
			✓	70. Type of heating fuel for system #1 (☐ Oil), (☐ Propane Gas), (☐ Natural Gas), (☐ Electric), (☐ Solar), (☐ Other: _____) Type of heating fuel for system #2 (☐ Oil), (☐ Propane Gas), (☐ Natural Gas), (☐ Electric), (☐ Solar), (☐ Other: _____)
			✓	71. Fuel provider for: Heating system #1: _____ Heating System #2: _____
	✓			72. Are there any contractual obligations affecting the fuel supply, tanks, or system(s)? If yes, describe in XI.
			✓	73. Type of air conditioning for system #1 (☐ Central), (☐ Window Units), (☐ Mini-Split), (☐ Other: _____) Type of air conditioning for system #2 (☐ Central), (☐ Window Units), (☐ Mini-Split), (☐ Other: _____)
				IX. ELECTRICAL SYSTEM
				74. Who is the electric provider for the property? <u>Delaware Electric Co-Op</u>
				75. What type of wiring is in the house? (copper, aluminum-alloy, other, etc.) <u>Wiring per code requirements</u>
				76. What is the amp service? (☐ 100), (☐ 150), (☒ 200), (☐ Other: _____)
			✓	77. Are there 240-volt circuits? (Other: _____)
	✓			78. Is there a permanently affixed generator on the property? What is the fuel source? _____
		N		79. If yes to #78, what is the kWh size? _____

Yes	No	*	AOS	
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			✓	80. Is there an electric vehicle capable parking space provided? If yes, where? _____.
			✓	81. Is there an electric vehicle charging infrastructure parking space? If yes, where? _____.
				X. FIREPLACE OR HEATING STOVE
			✓	82. How many fireplaces and/or heating stoves are on the property? <u>TBD</u> . If more than 2, explain in XI.
			✓	83. Type of fuel for fireplace 1: (☐ Wood Burning), (☐ Propane Gas), (☐ Natural Gas), (☐ Other: _____)? Type of fuel for fireplace 2: (☐ Wood Burning), (☐ Propane Gas), (☐ Natural Gas), (☐ Other: _____)?
		N		84. Type of fuel for heating stove 1: (☐ Wood Burning), (☐ Pellet), (☐ Other: _____)? Type of fuel for heating stove 2: (☐ Wood Burning), (☐ Pellet), (☐ Other: _____)?

XI. ADDITIONAL INFORMATION

If you were directed to this section to clarify an answer, or if you indicated there is a problem with any of the items in sections I through X, provide an explanation of your recollection using common language. Attach additional sheets if needed. Please print neatly or type.

Question Number	Additional Information
4	See POS, which includes Master Declaration, Bylaws, and copies of ARC Guidelines.
6	Community HOA Architectural Review Committee (ARC).
10	One-time setup fee of \$175 to Property Management Company.
10	1st year HOA dues are projected to be \$150/mo. HOA dues are projected to be \$235.67/month once amenity is complete.
11	\$1,600 one-time working capital contribution fee and \$500 reserve fee, paid at settlement.
24	See POS, DelDot Entrance Plans, Sussex County Engineering Plans & County Sewer Plans for easement info.
24	Community sanitary sewer pump station is located in the common area between lots 68 & 117.
24	30' wide landscape buffer (existing or planted) in common areas around perimeter of community.
24	Community walking path located in common areas with access between lots 80/81,103/104, and amenity area adjacent to lots 92/93.
24	Potential internal connection road between lots 17/18 per DelDot requirements to adjacent property currently known as River Oaks.
24	All lots shall have a five (5) foot wide easement along all the sides of each property line.
25	Maintenance agreements entered into by Homeowner's Association (HOA).
46	Lots are located in Flood Zone X, flood insurance is not a FEMA requirement. Wetlands on property are located in common areas only.
56	Property boundary stakes.

Are there additional problem, clarification, or document sheets attached? ☒ No ☐ Yes.

Number of Sheets Attached _____.

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Seller's Initials _____ Seller's Initials _____ Buyer's Initials _____ Buyer's Initials _____

Seller's Initials _____ Seller's Initials _____ Buyer's Initials _____ Buyer's Initials _____

ADDITIONAL NOTICES TO BUYERS

Government websites containing helpful information include: Office of State Planning Coordination <https://www.stateplanning.delaware.gov/>, Delaware Department of Natural Resources and Environmental Control <https://dnrec.alpha.delaware.gov/>, Delaware Division of Public Health www.dhss.delaware.gov/dhss/dph, Delaware State Police Sex Offender Registry <https://sexoffender.dsp.delaware.gov>, Federal Community Flood Maps <https://msc.fema.gov/portal/home>, and other agencies listed on www.delaware.gov.

All properties are part of larger surrounding areas. Buyers are advised to research Federal, State, and local governmental agencies' websites to become familiar with future anticipated development, global changes, climate changes, tax assessments, and other similar things that may affect the property in the future.

Square Footage: There are different methods of measuring used for different purposes. Acreage of the land and square footage of the buildings quoted on the real estate tax information, marketing materials, advertisements, brochures, MLS data, or appraisal, is only approximate, is not guaranteed, and should not be relied upon.

Tax System Data: Property data, square footage, characteristics, and building permit information in government real estate tax systems may not be accurate and should not be relied upon by sellers and buyers. It can be very difficult to research building permit information.

Transfer Taxes: Responsibility for payment of transfer taxes is determined by the Agreement of Sale. Buyers are advised to review the agreement carefully for specific terms regarding this obligation.

Additional information for specific sections is listed below:

II. DEED RESTRICTIONS, HOMEOWNERS ASSOCIATIONS/CONDOMINIUMS AND CO-OPS

- Deed restrictions are provisions in a deed or declaration that limit the use of the property. With some exceptions, restrictions cannot be removed by the owner.
- If the property is within an "association", request further information to learn of the covenants and restrictions that the property is subject to.
- More information may be found from Delaware's Common Interest Community Ombudsperson. Learn more at <https://attorneygeneral.delaware.gov/fraud/cpu/ombudsperson/>.

IV. ADDITIONAL INFORMATION

- Check HOA/local requirements concerning responsibility for sidewalk installation, replacement, repair, and snow removal.
- Delaware requires each county to reassess the value of real property on a regular basis. Learn more from the county tax office where the property is located.

VI. LAND (SOILS, DRAINAGE, AND BOUNDARIES)

- **Flood Zone:** Public and/or private flood insurance options exist for most properties even if property is not in a high- risk flood zone. Inquire about options with a qualified insurance agent. More information may be found at the Delaware Department of Insurance.
- **Flood Risk:** Due to location and elevation, particularly with river and coastal communities, the property and surrounding areas may experience flooding from rising sea levels and stronger storms, both now and in the future. Learn more at <https://floodplanning.dnrec.delaware.gov/>. In addition to state regulations, local municipalities may have additional floodplain management rules for property improvements. Contact the local municipality directly to find out about any specific requirements.

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Seller's Initials _____	Seller's Initials _____	Buyer's Initials _____	Buyer's Initials _____
Seller's Initials _____	Seller's Initials _____	Buyer's Initials _____	Buyer's Initials _____

- *Wetlands Area:* There are both tidal and non-tidal wetlands. The property may be subject to additional governmental oversight. Inquire further through programs like Delaware Wetlands of the Delaware Department of Natural Resources and Environmental Control.

VII. PLUMBING-RELATED ITEMS

- Learn more about private well and public water testing from the Delaware Division of Public Health's Office of Drinking Water.

ACKNOWLEDGMENT OF SELLER

Seller has provided the information contained in this report. This information is to the best of Seller's knowledge and belief is complete, true, and accurate. Seller has no knowledge, information, or other reason to believe that any defects or problems with the property have been disclosed to, or discussed with, any Real Estate Agent or Broker involved in the sale of this property, other than those set forth in this report. Seller does hereby indemnify and hold harmless any Real Estate Agent involved in the sale of this property from any liability incurred as a result of any third-party reliance on the disclosures contained herein, or on any subsequent amendment hereto Seller's Broker and / or Cooperating Broker, if any, is / are hereby authorized to furnish this report to any prospective Buyer. This is a legally binding document. If not understood, an attorney should be consulted.

SELLER _____ Date _____ SELLER _____ Date _____

SELLER _____ Date _____ SELLER _____ Date _____

Date the contents of this Report were last updated: 9/29/2025

ACKNOWLEDGMENT OF BUYER

Buyer is relying upon the above report, and statements within the Agreement of Sale, as the representation of the condition of the property, along with construction specifications from Seller and is not relying upon any other information about the property. Buyer acknowledges that Agents are not experts at detecting or repairing physical defects in property. Buyer acknowledges Seller has completed this form based upon their knowledge of the property. Buyer understands there may be areas of the property of which Seller has no knowledge and this report does not encompass those areas. Buyer has received and read a signed copy of this report. Buyer may negotiate in the Agreement of Sale for other professional advice and/or inspections of the property. Buyer understands there may be projects either planned or being undertaken by the State, County, or Local Municipality which may affect this property of which the Seller has no knowledge. Buyer further understands that it is Buyer's responsibility to contact the appropriate agencies to determine whether any such projects are planned or underway. If Buyer does not understand the impact of such project(s) on the property being purchased, Buyer should consult with an Attorney. Buyer understands that before signing an Agreement of Sale, Buyer may review the applicable Master Plan or Comprehensive Land Use Plan for the County and/or appropriate City or Town Plans showing planned land uses, zoning, roads, highways, locations, and nature of current or proposed parks and other public facilities. This is a legally binding document. If not understood, an attorney should be consulted.

BUYER _____ Date _____ BUYER _____ Date _____

BUYER _____ Date _____ BUYER _____ Date _____