

WORKING WITH A REAL ESTATE PROFESSIONAL

Pursuant to the Tennessee Real Estate Broker License Act, every Real Estate Licensee owes the following duties to every Buyer and Seller, Tenant and Landlord (collectively “Buyers” and “Sellers”):

1. To diligently exercise reasonable skill and care in providing services to all parties to the transaction;
2. To disclose to each party to the transaction any Adverse Facts of which Licensee has actual notice or knowledge;
3. To maintain for each party in a transaction the confidentiality of any information obtained by a Licensee prior to disclosure to all parties of a written agency agreement entered into by the Licensee to represent either or both parties in the transaction. This duty of confidentiality extends to any information which the party would reasonably expect to be held in confidence, except for any information required by law to be disclosed.
4. To provide services to each party to the transaction with honesty and good faith;
5. To disclose to each party to the transaction timely and accurate information regarding market conditions that might affect such transaction only when such information is available through public records and when such information is requested by a party;
6. To give timely account for earnest money deposits and all other property received from any party to a transaction; and
7. A) To refrain from engaging in self-dealing or acting on behalf of Licensee’s immediate family, or on behalf of any other individual, organization or business entity in which Licensee has a personal interest without prior disclosure of such personal interest and the timely written consent of all parties to the transaction; and
B) To refrain from recommending to any party to the transaction the use of services of another individual, organization or business entity in which the Licensee has an interest or from whom the Licensee may receive a referral fee or other compensation for the referral, other than referrals to other Licensees to provide real estate services, without timely disclosure to the party who receives the referral, the Licensee’s interest in such referral or the fact that a referral fee may be received.

In addition to the above, the Licensee has the following duties to his/her Client if the Licensee has become an Agent or Designated Agent in a transaction:

8. Obey all lawful instructions of the client when such instructions are within the scope of the agency agreement between the Licensee and Licensee’s client; and
9. Be loyal to the interests of the client. Licensee must place the interests of the client before all others in negotiation of a transaction and in other activities, except where such loyalty/duty would violate Licensee’s duties to a customer in the transaction.
10. Unless the following duties are specifically and individually waived in writing by a client, Licensee shall assist the client by:
 - A) Scheduling all property showings on behalf of the client;
 - B) Receiving all offers and counter offers and forwarding them promptly to the client;
 - C) Answering any questions that the client may have in negotiation of a successful purchase agreement within the scope of the Licensee’s expertise; and
 - D) Advising the client as to whatever forms, procedures and steps are needed after execution of the purchase agreement for a successful closing of the transaction.

Upon waiver of any of the above duties, a consumer must be advised in writing by such consumer’s agent that the consumer may not expect or seek assistance from any other licensees in the transaction for the performance of the above.



AN EXPLANATION OF TERMS

Facilitator / Transaction Broker (not an agent for either party):

The licensee is not working as an agent for either party in this consumer's prospective transaction. A facilitator may advise either or both of the parties to a transaction but cannot be considered a representative or advocate of either party. "Transaction Broker" may be used synonymously with, or in lieu of, "facilitator" as used in any disclosures, forms or agreements. [By law, any licensee or company who has not entered into a written agency agreement with either party in the transaction is considered a Facilitator or Transaction Broker until such time as an agency agreement is established.]

Agent or Subagent for the Seller:

The licensee's company is working as an agent for the property seller and owes primary loyalty to the seller. Even if the licensee is working with a prospective buyer to locate property for sale, rent, or lease, the licensee and his/her company are legally bound to work in the best interests of any property owners whose property is shown to this prospective buyer. An agency relationship of this type cannot, by law, be established without written consent.

Agent for the Buyer:

The licensee's company is working as an agent for the prospective buyer, owes primary loyalty to the buyer, and will work as an advocate for the best interests of the buyer. An agency relationship of this type cannot, by law, be established without a written buyer agency agreement.

Disclosed Dual Agent (for both parties):

Refers to a situation in which the licensee has agreements to provide services as an agent to more than one party in a specific transaction and in which the interests of such parties are adverse.

Designated Agent for the Seller:

The individual licensee that has been assigned by his/her Managing Broker and is working as an agent for the seller or property owner in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a possible buyer for this seller's property, the Designated Agent for the Seller will continue to work as an advocate for the best interests of the seller or property owner. An agency relationship of this type cannot, by law, be established without a written agency agreement.

Designated Agent for the Buyer:

The individual licensee that has been assigned by his/her Managing Broker and is working as an agent for the buyer in this consumer's prospective transaction, to the exclusion of all other licensees in his/her company. Even if someone else in the licensee's company represents a seller in whose property the buyer is interested, the Designated Agent for the Buyer will continue to work as an advocate for the best interests of the buyer. An agency relationship of this type cannot, by law, be established without a written agency agreement.

Adverse Facts:

"Adverse Facts" means conditions or occurrences generally recognized by competent licensees that have a negative impact on the value of the real estate, significantly reduce the structural integrity of improvements to real property or present a significant health risk to occupants of the property.

CONFIDENTIALITY:

By law, every licensee is obligated to protect some information as confidential. This includes any information revealed by a consumer which may be helpful to the other party IF it was revealed by the consumer BEFORE the licensee disclosed an agency relationship with that other party. AFTER the licensee discloses that he/she has an agency relationship with another party, any such information which the consumer THEN reveals must be passed on by the licensee to that other party.



CONFIRMATION OF AGENCY STATUS

Every real estate licensee is required to disclose his or her agency status in a real estate transaction to any buyer or seller who is not represented by an agent and with whom the licensee is working directly in the transaction. The purpose of this Confirmation of Agency Status is to acknowledge that this disclosure occurred. Copies of this confirmation must be provided to any signatory thereof. Notice is hereby given that the agency status of this licensee (or licensee's company) is as follows in this transaction:

The real estate transaction involving the property located at:

PROPERTY ADDRESS

ONE of the Following Options MUST be Completed by the Licensee:

OPTION I (for Listing Licensee)
_____ LICENSEE NAME
in this consumer's current or prospective transaction, is serving as:
<input type="checkbox"/> Transaction Broker or Facilitator (not an agent for either party).
<input type="checkbox"/> Agent for the Seller.
<input type="checkbox"/> Disclosed Dual Agent (for both parties), with the consent of both the Buyer and the Seller in this transaction.
<input type="checkbox"/> Designated Agent for the Seller.

OPTION II (for Selling Licensee)
_____ LICENSEE NAME
in this consumer's current or prospective transaction, is serving as:
<input type="checkbox"/> Transaction Broker or Facilitator (not an agent for either party).
<input type="checkbox"/> Agent or Subagent for the Seller.
<input type="checkbox"/> Agent for the Buyer.
<input type="checkbox"/> Disclosed Dual Agent (for both parties), with the consent of both the Buyer and the Seller in this transaction.
<input type="checkbox"/> Designated Agent for the Seller.
<input type="checkbox"/> Designated Agent for the Buyer.

This form was delivered in writing, as prescribed by law, to any unrepresented buyer **prior to the preparation of any offer to purchase**, OR to any unrepresented seller **prior to presentation of an offer to purchase**; OR (if the licensee is listing a property without an agency agreement) **prior to execution of that listing agreement**. This document also serves as confirmation that the licensee's Agency or Transaction Broker status was communicated orally before any real estate services were provided and also serves as a statement acknowledging that the buyer or seller, as applicable, was informed that any complaints alleging a violation or violations of T.C.A. 62-13-312 must be filed within the applicable statute of limitations for such violation set out in T.C.A. 62-13-313(e) with the Tennessee Real Estate Commission, 500 James Robertson Parkway, Suite 180, Nashville, TN 37232, PH: (615) 741-2273. **This notice by itself, however, does not constitute an agency agreement or establish an agency relationship.**

Acknowledgment of confirmation of Agency relationship disclosure by Realtor® acting as Agent/Broker OR other status of Buyer/Tenant pursuant to the National Association of Realtors® Code of Ethics and Standards of Practice.

_____ Seller Signature	_____ Date
_____ Seller Signature	_____ Date

_____ Buyer Signature	_____ Date
_____ Buyer Signature	_____ Date

_____ Listing Licensee	_____ Date
_____ Listing Company	

_____ Selling Licensee	_____ Date
_____ Selling Company	

NOTE: This form is provided by TAR to its members for their use in real estate transactions and is to be used as is. By downloading and/or using this form, you agree and covenant not to alter, amend, or edit said form or its content except as where provided in the blank fields, and agree and acknowledge that any such alteration, amendment or edit of said form is done at your own risk. Use of the TAR logo in conjunction with any form other than standardized forms created by TAR is strictly prohibited. This form is subject to periodic revision and it is the responsibility of the member to use the most recent available form.



DISCLAIMER NOTICE

The Brokers and their affiliated licensees (hereinafter collectively "Licensees") involved in the Purchase and Sale Agreement (hereinafter "Agreement") regarding real estate located at _____ (hereinafter "Property") are not attorneys and are not structural or environmental engineers. They are engaged in bringing together buyers and sellers in real estate transactions. Licensees expressly deny any expertise with respect to advice or informed opinions regarding any of the following matters. This Notice is an express warning to all sellers and buyers that they should not rely on any statement, comment or opinion expressed by any Licensee when making decisions about any of the following matters, including the selection of any professional to provide services on behalf of buyers or sellers. Any professional selected by buyers or sellers should be an "independent qualified professional," who complies with all applicable state/local requirements, which may include, licensing, insurance, and bonding requirements. It is strongly recommended that buyers include contingency clauses in their offers to purchase with respect to these or any other matters of concern and that buyers, in writing the offer, allow enough time to get an evaluation of the following matters from an independent qualified professional. The matters listed below are not an exclusive list of actions or circumstances which are not the responsibility of the Licensees with whom you work. These items are examples and are provided only for your guidance and information.

1. **THE STRUCTURAL OR OTHER CONDITIONS OF THE PROPERTY.** Consult with professional engineers or other independent qualified professionals to ascertain the existence of structural issues, the condition of synthetic stucco (E.I.F.S.), and/or the overall condition of the property.
2. **THE CONDITION OF ROOFING.** Consult with a bonded roofing company for any concerns about the condition of the roof.
3. **HOME INSPECTION.** We strongly recommend that you have a home inspection, which is a useful tool for determining the overall condition of a home including, but not limited to, electrical, heating, air conditioning, plumbing, water heating systems, fireplaces, windows, doors, and appliances. Contact several sources (like the State of Tennessee, Department of Commerce & Insurance <http://www.licsrch.state.tn.us/>, American Society of Home Inspectors <http://www.ashi.com>, National Association of Home Inspectors <http://www.nachi.org>, National Association of Certified Home Inspectors and Home Inspectors of Tennessee <http://www.hita.us>) and independently investigate the competency of an inspector, including whether he/she has complied with State and/or local licensing and registration requirements in your area. The home inspector may, in turn, recommend further examination by a specialist (heating-air-plumbing, etc.). **Failure to inspect typically means that you are accepting the property "as is".**
4. **WOOD DESTROYING ORGANISMS, PESTS AND INFESTATIONS.** It is strongly recommended that you use the services of a licensed professional pest control company to determine the presence of wood destroying organisms (termites, fungus, etc.) or other pests or infestations and to examine the property for any potential damage from such.
5. **ENVIRONMENTAL HAZARDS.** Environmental hazards such as, but not limited to: radon gas, mold, asbestos, lead-based paint, hazardous wastes, landfills, byproducts of methamphetamine production, high-voltage electricity, noise levels, etc., require advanced techniques by environmental specialists to evaluate, remediate and/or repair. It is strongly recommended that you secure the services of knowledgeable professionals and inspectors in all areas of environmental concern.
6. **SQUARE FOOTAGE.** There are many ways of measuring square footage. Information is sometimes gathered from tax or real estate records on the property. Square footage provided by builders, real estate licensees or tax records is only an **estimate** with which to make comparisons, but **it is not guaranteed.** It is advised that you have a licensed appraiser determine actual square footage.
7. **CURRENT VALUE, INVESTMENT POTENTIAL, OR RESALE VALUE OF THE PROPERTY.** A true estimate of value can only be obtained through the services of a licensed appraiser. No one, not even a professional appraiser, can know the future value of a property. Unexpected and unforeseeable things happen. **NOTE:** A real estate licensee's Comparative Market Analysis (CMA), or Broker's Price Opinion (BPO), etc., while sometimes used to set an asking price, is **not** an appraisal.
8. **BOUNDARY LINES, EASEMENTS, ENCROACHMENTS, AND ACREAGE.** It is strongly advised that you secure the services of a licensed surveyor for a full-stake boundary survey with all boundary lines, easements, encroachments, flood zones, total acreage, etc., clearly identified. It is also advised that you **not** rely on mortgage loan inspection surveys, previous surveys, plat data, or Multiple Listing Service (MLS) data for this information, even if acceptable to your lender.
9. **ZONING, CODES, COVENANTS, RESTRICTIONS, AND RELATED ISSUES.** Zoning, codes, covenants, restrictions, home owner association by-laws, special assessments, city ordinances, governmental repair requirements and related issues need to be verified by the appropriate sources in writing. If your projected use requires a zoning or other change, it is



recommended that you either wait until the change is **in effect** before committing to a property, or provide for this contingency in your Purchase and Sales Agreement.

10. **UTILITY CONNECTIONS, SEPTIC SYSTEM CAPABILITY, AND RELATED SERVICES.** The availability, adequacy, connection and/or condition of waste disposal (sewer, septic system, etc.), water supply, electric, gas, cable, internet, telephone, or other utilities and related services to the property need to be verified by the appropriate sources in writing. You should have a professional check access and/or connection to public sewer and/or public water source, and/or the condition of any septic system(s) and/or well(s). To confirm that any septic systems are properly permitted for the actual number of bedrooms, it is recommended that sellers and/or buyers request a copy of the subsurface sewage disposal system permit from the appropriate governmental permitting authority. If such permit has not or cannot be located, you should seek professional advice regarding this matter. For unimproved land, septic system capability can only be determined by using the services of a professional soil scientist and verifying with the appropriate governmental authorities that a septic system of the desired type and cost can be permitted and installed to accommodate the size home that you wish to build.
11. **FLOODING, DRAINAGE, FLOOD INSURANCE, AND RELATED ITEMS.** It is recommended that you have a civil or geotechnical engineer, or other independent expert determine the risks of flooding, drainage or run-off problems, erosion, land shifting, unstable colluvial soil, sinkholes and landfills. The risk of flooding may increase and drainage or storm run-off pathways may change. Be sure to consult with the proper governmental authorities, elevation surveyors, and flood insurance professionals regarding flood and elevation certificates, flood zones, and flood insurance requirements, recommendations and costs.
12. **SCHOOL DISTRICTS AND OTHER SCHOOL INFORMATION.** It is advised that you independently confirm public school zoning with the appropriate school authorities, as school districts are subject to change. Other school information (rankings, curriculums, student-teacher ratios, etc.) should be confirmed by appropriate sources in writing.
13. **INFORMATION ABOUT CRIMES OR SEX OFFENDERS.** You should consult with local, state, and federal law enforcement agencies for information or statistics regarding criminal activity at or near the property, or for the location of sex offenders in a given area.
14. **LEGAL AND TAX ADVICE.** You should seek the advice of an attorney and/or certified tax specialist on any legal or tax questions regarding any offers, contracts, issues relating to the title or ownership of the property, or any other matters of concern, including those itemized in this Disclaimer Notice. Real estate licensees are **not** legal or tax experts, and therefore cannot advise you in these areas.
15. **RECOMMENDED INSPECTORS, SERVICE PROVIDERS, OR VENDORS.** The furnishing of any inspector, service provider or vendor names by the real estate licensees is done only as a convenience and a courtesy, and does not in any way constitute any warranty, representation, or endorsement. Buyers and sellers have the option to select any inspectors, service providers or vendors of the buyer's or seller's choice. You are advised to contact several sources and independently investigate the competency of any inspector, contractor, or other professional expert, service provider or vendor, and to determine compliance with any licensing, registration, insurance and bonding requirements in your area.

The buyers and sellers acknowledge that they have not relied upon the advice, casual comments, or verbal representations of any real estate licensee relative to any of the matters itemized above, or similar matters. The buyers and sellers understand that it has been strongly recommended that they secure the services of appropriately credentialed experts and professionals of the buyer's or seller's choice for advice and counsel about these and similar concerns.

The party(ies) below have signed and acknowledge receipt of a copy.	
_____	_____
BUYER	BUYER
_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm
DATE	DATE

The party(ies) below have signed and acknowledge receipt of a copy.	
_____	_____
SELLER	SELLER
_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	_____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm
DATE	DATE

NOTE: This form is provided by TAR to its members for their use in real estate transactions and is to be used as is. By downloading and/or using this form, you agree and covenant not to alter, amend, or edit said form or its content except as where provided in the blank fields, and agree and acknowledge that any such alteration, amendment or edit of said form is done at your own risk. Use of the TAR logo in conjunction with any form other than standardized forms created by TAR is strictly prohibited. This form is subject to periodic revision and it is the responsibility of the member to use the most recent available form.



TN RESIDENTIAL PROPERTY CONDITION EXEMPTION NOTIFICATION

Property Address: _____

Buyer: _____

Seller: _____

The Tennessee Residential Property Disclosure Act requires sellers of residential real property with one to four dwelling units to furnish to a buyer one of the following: (1) a residential property disclosure statement (the "Disclosure"), or (2) a residential property disclaimer statement (permitted only where the buyer waives the required Disclosure). Some property transfers may be exempt from this requirement (see § 66-5-209). The following is a summary of the buyers' and sellers' rights and obligations under the Act. A complete copy of the Act may be found at: http://www.state.tn.us/commerce/boards/trec/rulesandlaws.html/t66/t_66_ch_5.htm

1. Sellers must disclose all known material defects, and must answer the questions on the Disclosure form in good faith to the best of the seller's knowledge as of the Disclosure date.
2. Sellers must give the buyers the Disclosure form before the acceptance of a purchase contract.
3. Sellers must inform the buyers, at or before closing, of any inaccuracies or material changes in the condition that have occurred since the time of the initial Disclosure, or certify that there are no changes.
4. Sellers may give the buyers a report or opinion prepared by a professional inspector or other expert(s), or certain information provided by a public agency, in lieu of responding to some or all of the questions on the form (See § 66-5-204).
5. Sellers are not required to have a home inspection or other investigation in order to complete the Disclosure form.
6. Sellers are not required to repair any items listed on the disclosure form, or on any inspection report, unless agreed to in the purchase contract.
7. Sellers involved in the first sale of a dwelling must disclose the amount of any impact fees or adequate facility taxes paid.
8. Sellers are not required to disclose if any occupant was HIV-positive, or had any other disease not likely to be transmitted by occupying a home, or whether the home had been the site of a homicide, suicide or felony, or act or occurrence which had no effect on the physical structure of the property.
9. Sellers may provide an "as is", "no representations or warranties" disclaimer statement in lieu of the Disclosure form only if the buyer waives the right to the required disclosure, otherwise the sellers must provide the completed Disclosure form (see § 66-5-202).
10. Sellers may be exempt from having to complete the Disclosure form in certain limited circumstances (e.g. public auctions, court orders, some foreclosures and bankruptcies, new construction with written warranty, or owner has not resided on the property at any time within the prior 3 years. See § 66-5-209).
11. Buyers are advised to include home and wood infestation, well, water sources, septic system, lead-based paint, radon, mold, and other appropriate inspection contingencies in the contract, as the Disclosure form is not a warranty of any kind by the seller, and is not a substitute for any warranties or inspections the buyer may desire to purchase.
12. Any repair of disclosed defects must be negotiated and addressed in the Purchase and Sale Agreement; otherwise, Seller is not required to repair any such items.
13. Buyers may, but do not have to, waive their right to receive the Disclosure form from the sellers if the sellers provide a disclaimer statement with no representations or warranties (see § 66-5-202).
14. Remedies for misrepresentations or nondisclosure in a Property Condition Disclosure statement may be available to Buyer and are set out fully in TCA § 62-5-208. Buyer should consult with an attorney regarding any such matters.
15. Representations in the Disclosure form are those of the sellers only, and not of any real estate licensee, although licensees are required to disclose to all parties adverse facts of which the licensee has actual knowledge or notice.
16. Pursuant to § 47-18-104(b), sellers of newly constructed residences on a septic system are prohibited from knowingly advertising or marketing a home as having more bedrooms that are permitted by the subsurface sewage disposal system permit.
17. Sellers must disclose the presence of any known exterior injection well and the results of any known percolation or soil absorption rate performed on the property that is determined or accepted by the Department of Environment and Conservation.

The Buyers and Sellers involved in the current or prospective real estate transaction for the property listed above acknowledge that they were informed of their rights and obligations regarding Residential Property Disclosures, and that this information was provided by the real estate licensee(s) prior to the completion or reviewing of a TN Residential Property Condition Disclosure, or a TN Residential Property Condition Disclaimer Statement, or a TN Residential Property Condition Exemption Notification. Buyers and Sellers also acknowledge that they were advised to seek the advice of an attorney on any legal questions they may have regarding this information, or prior to taking any legal actions.



The Tennessee Residential Property Disclosure Act states that anyone transferring title to residential real property must provide information about the condition of the property. This completed form constitutes that disclosure by the Seller. The information contained in the disclosure is the representation of the owner and not the representation of the real estate licensee or sales person, if any. This is not a warranty or a substitute for any professional inspections or warranties that the purchasers may wish to obtain. **Buyers and Sellers should be aware that any sales agreement executed between the parties will supersede this form as to the terms of sale, property included in the sale and any obligations on the part of the seller to repair items identified below and/or the obligation of the buyer to accept such items "as is."**

The undersigned Seller of the property described as _____ does hereby notify Buyer that said property is being offered without a Residential Property Condition Disclosure Statement as provided by the Tennessee Residential Property Disclosure Act. This transfer is excluded under T.C.A. § 66-5-209 for the following reason(s):

- This is a transfer pursuant to court order including, but not limited to, transfers ordered by a court in the administration of an estate, transfers pursuant to a writ of execution, transfers by foreclosure sale, transfers by a trustee in a bankruptcy, transfers by eminent domain and transfers resulting from a decree of specific performance;
- This is a transfer to a beneficiary of a deed of trust by a trustor or successor in interest who is in default; transfers by a trustee under a deed of trust pursuant to a foreclosure sale, or transfers by a beneficiary under a deed of trust who has acquired the real property at a sale conducted pursuant to a foreclosure sale under a deed of trust or has acquired the real property by a deed in lieu of foreclosure;
- This is a transfer by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship or trust;
- This is a transfer from one (1) or more co-owners solely to one (1) or more co-owners. This provision is intended to apply and only does apply in situations where ownership is by a tenancy by the entirety, a joint tenancy or a tenancy in common and the transfer will be made from one (1) or more of the owners to another owner or co-owners holding property either as a joint tenancy, tenancy in common or tenancy by the entirety;
- This is a transfer made by virtue of the record owner's failure to pay federal, state or local taxes;
- This is a transfer between spouses resulting from a decree of divorce or a property settlement stipulation;
- This is a transfer made solely to any combination of a spouse or a person or persons in the lineal line of consanguinity of one (1) or more of the transferors;
- This is a transfer to or from any governmental entity of public or quasi-public housing authority or agency;
- This is a transfer involving the first sale of a dwelling provided that the builder offers a written warranty;
- This is a transfer of any property sold at public auction;
- This is a transfer of any property where the owner has not resided on the property at any time within three (3) years prior to the date of transfer.
- This is a transfer from a debtor in a chapter 7 or a chapter 13 bankruptcy to a creditor or third party by a deed in lieu of foreclosure or by a quitclaim deed.

The party(ies) below have signed and acknowledge receipt of a copy.

SELLER

_____ at _____ o'clock am/ pm
DATE

SELLER

_____ at _____ o'clock am/ pm
DATE

Buyer is advised that no representation or warranties, express or implied, as to the condition of the property and its improvements, are being offered by Seller or Seller's Agent except in the case where transfer involves the first sale of a dwelling in which builder offers a written warranty. Furthermore, the Buyer should make or have made on the Buyer's behalf a thorough and diligent inspection of the property.

The party(ies) below have signed and acknowledge receipt of a copy.

BUYER

_____ at _____ o'clock am/ pm
DATE

BUYER

_____ at _____ o'clock am/ pm
DATE

NOTE: This form is provided by TAR to its members for their use in real estate transactions and is to be used as is. By downloading and/or using this form, you agree and covenant not to alter, amend, or edit said form or its content except as where provided in the blank fields, and agree and acknowledge that any such alteration, amendment or edit of said form is done at your own risk. Use of the TAR logo in conjunction with any form other than standardized forms created by TAR is strictly prohibited. This form is subject to periodic revision and it is the responsibility of the member to use the most recent available form.



IMPACT FEES OR ADEQUATE FACILITIES TAXES DISCLOSURE

Pursuant to T.C.A. 66-5-211, in transfers involving the first sale of a dwelling, the owner of residential property shall furnish to the purchaser a statement disclosing the amount of any impact fees or adequate facilities taxes paid to any city or county on any parcel of land subject to transfer by sale, exchange, installment land sales contract, or lease with an option to buy.

For the purpose of this section, unless the context otherwise requires:

- (1) "Adequate facilities tax" means any privilege tax that is a development tax, by whatever name, imposed by a county or city, pursuant to any act of general or local application, on engaging in the act of development;
- (2) "Development" means the construction, building, reconstruction, erection, extension, betterment, or improvement of land providing a building or structure or the addition to any building or structure or any part hereof, which provides, adds to, or increases the floor area of a residential or nonresidential use; and
- (3) "Impact fee" means a monetary charge imposed by a county or municipal government pursuant to any act of general or local application, to regulate new development on real property. The amount of impact fees are related to the costs resulting from the new development and the revenues for this fee are earmarked for investment in the area of the new development.

For real property located at:

Owner has paid \$_____ in adequate facilities tax and/or impact fees on property.

The party(ies) below have signed and acknowledge receipt of a copy.

OWNER

_____ at _____ o'clock am/ pm
DATE

OWNER

_____ at _____ o'clock am/ pm
DATE

I acknowledge receipt of the above referenced disclosure.

The party(ies) below have signed and acknowledge receipt of a copy.

RECIPIENT

_____ at _____ o'clock am/ pm
DATE

RECIPIENT

_____ at _____ o'clock am/ pm
DATE

NOTE: This form is provided by TAR to its members for their use in real estate transactions and is to be used as is. By downloading and/or using this form, you agree and covenant not to alter, amend, or edit said form or its content except as where provided in the blank fields, and agree and acknowledge that any such alteration, amendment or edit of said form is done at your own risk. Use of the TAR logo in conjunction with any form other than standardized forms created by TAR is strictly prohibited. This form is subject to periodic revision and it is the responsibility of the member to use the most recent available form.

