Real Estate Source, Inc.
Residential & Commercial

AIR CONDITIONER 13 SEER DISCLOSURE

I. The United States Congress authored and promoted new federal legislation regarding heating, ventilation, and air conditioning manufacturers. In accordance with their goals to increase energy efficiency, reduce dependence on foreign oil and develop energy efficient technologies, the Department of Energy will enforce recently passed legislation which mandates the use of air conditioners that operate using less energy. On January 23, 2006, the law will change to require a 13 SEER minimum rating on equipment.

II. Existing systems rated less than 13 SEER may remain in use indefinitely, *however* manufacturers will be *prohibited* by law to build A/C components rated less than 13 SEER as of January 23, 2006. 13 SEER units will be almost twice as large as 10 SEER units are today.

III. An A/C system includes two units that work together: one outside and one inside. If the outside unit of a 10 SEER system breaks down and there are no 10 SEER parts left to repair it, there may be no other option than to upgrade the entire unit to 13 SEER. This expense will likely be unexpected and could be costly. Although many homeowners are currently unaware of this legislation, they likely face replacement when the existing supplies of 12 SEER and under components are depleted.

IV. Real Estate Source, Inc. advises buyer(s) and seller(s) to purchase 13 SEER Insurance Coverage currently offered by various home warranty providers, such as AHS American Home Shield. This coverage will NOT necessarily cover the entire costs associated with replacement, but may defer some.

For more information go to: www.energy.gov to read the actual 13 SEER legislation and learn more about the history of the new mandates. You can also contact the U.S. Department of Energy for more legislative information by mail at 1000 Independence Avenue, SW, Washington, DC 20585 or by phone at 800-DIAL-DOE. Real Estate Source, Inc., advise should Buyer(s) have any questions or concerns to consult with a professional or hire an independent inspector of their choice.

Buyer(s) and Seller(s) acknowledge receipt of a copy of this Disclosure

Buyer	**Date**	**Buyer**	**Date**
Seller	**Date**	**Seller**	**Date**