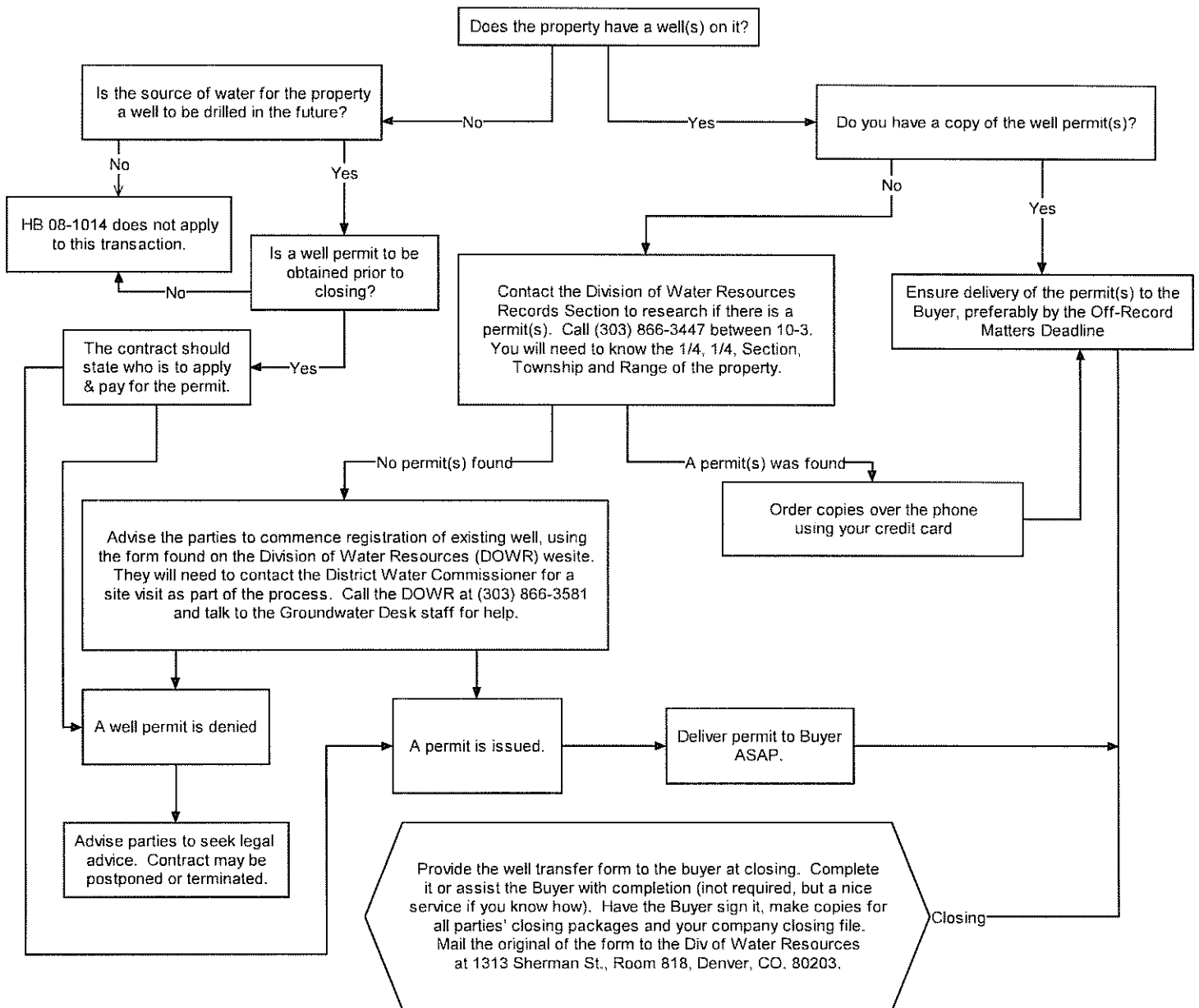


FLOW CHART FOR REAL ESTATE BROKERS WHEN WELLS ARE INVOLVED



Water Notes For Brokers:

1. In addition to the well permit, it may be useful for the buyer to obtain the well driller's completion log and pump installer's report for the well(s). Do not represent the yield of the well, even if the driller estimates one on his log. Yields change over time, and the log could be wrong anyway. Advise the Buyer to have the well inspected and tested to determine productivity and potability. If the well has been unused for some period of time, it may need to be chlorinated (shocked) prior to potability testing.
2. Whenever water or water rights are involved in a transaction, recommend legal assistance from a qualified attorney or water attorney.
3. Just because water is being used in a particular way on the property does not mean that such use is permissible. Well use can be curtailed at any time by the State if the well is being used in a manner inconsistent with its permit.
4. Ponds on the property may or may not be legal; advise legal assistance to determine their status. Do not represent that a pond can be created on the property, as they may or may not be allowed without a water right.
5. Do not represent that rainwater/runoff can be captured by the Buyer for reuse. All water is considered "waters of the State," and may not be retained or used absent a water right or permit allowing its use.
6. HB 08-1014 does not obligate the broker to complete the well transfer form (buyer's duty). If the broker knows how to complete the form, it is a nice service, but at a minimum, the broker should be aware of the law and provide the form to the buyer so the buyer can complete it. The broker should disclose the requirement of the law to the buyer..

Prepared for educational purposes only by Douglas H. Barber-CRB, GRI, MRE, e-Pro. (12/10/08)
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