



STATE OF NORTH CAROLINA
RESIDENTIAL PROPERTY DISCLOSURE STATEMENT
INSTRUCTIONS TO PROPERTY OWNERS

- 1. G.S. 47E requires owners of residential real estate (single-family homes and buildings with up to four dwelling units) to furnish purchasers a property disclosure statement. This form is the only one approved for this purpose.
2. You must check one of the boxes for each of the 21 questions on the reverse side of this form.
a. If you check "Yes" for any question, you must explain your answer and either describe any problem or attach a report from an engineer, contractor, pest control operator or other expert or public agency describing it.
b. If you check "No", you are stating that you have no actual knowledge of any problem.
c. If you check "No Representation", you have no duty to disclose the conditions or characteristics of the property, even if you should have known of them.
3. If you are assisted in the sale of your property by a licensed real estate broker, you are still responsible for completing and delivering the Statement to the purchasers; and the broker must disclose any material facts about your property which they know or reasonably should know, regardless of your responses on the Statement.
4. You must give the completed Statement to the purchaser no later than the time the purchaser makes an offer to purchase your property.

Note to Purchasers: If the owner does not give you a Residential Property Disclosure Statement by the time you make your offer to purchase the property, you may under certain conditions cancel any resulting contract and be entitled to a refund of any deposit monies you may have paid. To cancel the contract, you must personally deliver or mail written notice of your decision to cancel to the owner or the owner's agent within three calendar days following your receipt of the Statement, or three calendar days following the date of the contract, whichever occurs first. However, in no event does the Disclosure Act permit you to cancel a contract after settlement of the transaction or (in the case of a sale or exchange) after you have occupied the property, whichever occurs first.

5. In the space below, type or print in ink the address of the property (sufficient to identify it) and your name. Then sign and date.

Property Address: 1210 Gatehouse Drive, Cary, 27511

Owner's Name(s): Kevin N. Watts, Rebekah F. Watts

Owner(s) acknowledge having examined this Statement before signing and that all information is true and correct as of the date signed

Owner Signature: [Signature] Date: 2/16/09

Kevin N. Watts

Owner Signature: [Signature] Date: 2/16/09

Rebekah F. Watts

Purchasers acknowledge receipt of a copy of this disclosure statement, that they have examined it before signing; that they understand that this is not a warranty by owner or owner's agent; that it is not a substitute for any inspections they may wish to obtain, and that the representations are made by the owner and not the owner's agent(s) or subagent(s). Purchasers are encouraged to obtain their own inspection from a licensed home inspector or other professional.

Purchaser Signature: _____ Date: _____

Purchaser Signature: _____ Date: _____

(OVER)
REC-422
REV 1/08

Property Address/Description: 1210 Gatahouse Drive, Cary, 27511

LO405 Scottish HLS PT C SEV RM1975-134

[Note: In this form, "property" refers only to dwelling unit(s) and not sheds, detached garages or other buildings.]

Regarding the property identified above, do you know of any problem (malfunction or defect) with any of the following:

- | | Yes* | No | No Representation |
|--|--------------------------|-------------------------------------|--------------------------|
| 1. FOUNDATION, SLAB, FIREPLACES/CHIMNEYS, FLOORS, WINDOWS (INCLUDING STORM WINDOWS AND SCREENS), DOORS, CEILINGS, INTERIOR AND EXTERIOR WALLS, ATTACHED GARAGE, PATIO, DECK OR OTHER STRUCTURAL COMPONENTS including any modifications to them?
a. Siding is <input type="checkbox"/> Masonry <input checked="" type="checkbox"/> Wood <input type="checkbox"/> Composition/Hardboard <input type="checkbox"/> Vinyl <input type="checkbox"/> Synthetic Stucco <input checked="" type="checkbox"/> Other <u>concrete fiberboard</u>
b. Approximate age of structure? <u>1976</u> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 2. ROOF (leakage or other problem)?
a. Approximate age of roof covering? <u>New Feb 09</u> | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 3. WATER SEEPAGE, LEAKAGE, DAMPNES OR STANDING WATER in the basement, crawl space or slab? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 4. ELECTRICAL SYSTEM (outlets, wiring, panel, switches, fixtures, etc.)? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 5. PLUMBING SYSTEM (pipes, fixtures, water heater, etc.)? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 6. HEATING AND/OR AIR CONDITIONING?
a. Heat Source is: <input type="checkbox"/> Furnace <input checked="" type="checkbox"/> Heat Pump <input type="checkbox"/> Baseboard <input type="checkbox"/> Other
b. Cooling Source is: <input checked="" type="checkbox"/> Central Forced Air <input type="checkbox"/> Wall/Window Unit(s) <input type="checkbox"/> Other
c. Fuel Source is: <input checked="" type="checkbox"/> Electricity <input type="checkbox"/> Natural Gas <input type="checkbox"/> Propane <input type="checkbox"/> Oil <input type="checkbox"/> Other | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 7. WATER SUPPLY (including water quality, quantity and water pressure)?
a. Water supply is: <input checked="" type="checkbox"/> City/County <input type="checkbox"/> Community System <input type="checkbox"/> Private Well <input type="checkbox"/> Other
b. Water pipes are: <input checked="" type="checkbox"/> Copper <input type="checkbox"/> Galvanized <input checked="" type="checkbox"/> Plastic <input type="checkbox"/> Other <input type="checkbox"/> Unknown | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 8. SEWER AND/OR SEPTIC SYSTEM?
a. Sewage disposal system is: <input type="checkbox"/> Septic Tank <input type="checkbox"/> Septic Tank with Pump <input type="checkbox"/> Community System <input checked="" type="checkbox"/> Connected to City/County System <input type="checkbox"/> City/County System available <input type="checkbox"/> Straight pipe (wastewater does not go into a septic or other sewer system [note: use of this type of system violates state law]) <input type="checkbox"/> Other | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 9. BUILT-IN APPLIANCES (RANGE/OVEN, ATTACHED MICROWAVE, HOOD/FAN, DISHWASHER, DISPOSAL, etc.)? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 10. PRESENT INFESTATION, OR DAMAGE FROM PAST INFESTATION OF WOOD DESTROYING INSECTS OR ORGANISMS which has not been repaired? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 11. DRAINAGE, GRADING OR SOIL STABILITY OF LOT? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 12. OTHER SYSTEMS AND FIXTURES: CENTRAL VACUUM, POOL, HOT TUB, SPA, ATTIC FAN, EXHAUST FAN, CEILING FAN, SUMP PUMP, IRRIGATION SYSTEM, TV CABLE WIRING OR SATELLITE DISH, OR OTHER SYSTEMS? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Also regarding the property identified above, including the lot, other improvements, and fixtures located thereon, do you know of any:

- | | | | |
|---|-------------------------------------|-------------------------------------|--------------------------|
| 13. ROOM ADDITIONS OR OTHER STRUCTURAL CHANGES? | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 14. ENVIRONMENTAL HAZARDS (substances, materials or products) including asbestos, formaldehyde, radon gas, methane gas, lead-based paint, underground storage tank, or other hazardous or toxic material (whether buried or covered), contaminated soil or water, or other environmental contamination? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 15. COMMERCIAL OR INDUSTRIAL NUISANCES (noise, odor, smoke, etc.) affecting the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 16. VIOLATIONS OF ZONING ORDINANCES, RESTRICTIVE COVENANTS OR OTHER LAND-USE RESTRICTIONS OR BUILDING CODES INCLUDING THE FAILURE TO OBTAIN PROPER PERMITS FOR ROOM ADDITIONS OR OTHER STRUCTURAL CHANGES? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 17. UTILITY OR OTHER EASEMENTS, SHARED DRIVEWAYS, PARTY WALLS OR ENCROACHMENTS FROM OR ON ADJACENT PROPERTY? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 18. LAWSUITS, FORECLOSURES, BANKRUPTCY, TENANCIES, JUDGMENTS, TAX LIENS, PROPOSED ASSESSMENTS, MECHANICS' LIENS, MATERIALMENS' LIENS, OR NOTICE FROM ANY GOVERNMENTAL AGENCY that could affect title to the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 19. OWNERS' ASSOCIATION OR "COMMON AREA" EXPENSES OR ASSESSMENTS? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 20. FLOOD HAZARD or that the property is in a FEDERALLY-DESIGNATED FLOOD PLAIN? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 21. PRIVATE ROAD(S) OR STREETS adjoining the property?
a. If yes, do you know of an existing owners association or maintenance agreement to maintain the road or street? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

*If you answered "Yes" to any of the above 21 questions, please explain (Attach additional sheets, if necessary): 13. Addition Family/Media Room, Laundry room, closet

Owner Initials and Date MMW 2-16-09

Owner Initials and Date RPW 2/16/09

Purchaser Initials and Date

Purchaser Initials and Date