



STATE OF NORTH CAROLINA
RESIDENTIAL PROPERTY AND
OWNERS' ASSOCIATION DISCLOSURE STATEMENT

Instructions to Property Owners

1. G.S. 47E requires owners of residential real estate (single-family homes, individual condominiums, townhouses, and the like, and buildings with up to four dwelling units) to furnish purchasers a Residential Property and Owners' Association Disclosure Statement ("Disclosure Statement"). This form is the only one approved for this purpose. A disclosure statement must be furnished in connection with the sale, exchange, option and sale under a lease with option to purchase (unless the tenant is already occupying or intends to occupy the dwelling). A disclosure statement is not required for some transactions, including the first sale of a dwelling which has never been inhabited and transactions of residential property made pursuant to a lease with option to purchase where the lessee occupies or intends to occupy the dwelling. For a complete list of exemptions, see G.S. 47E-2.
2. You must respond to each of the questions on the following pages of this form by filling in the requested information or by placing a check in the appropriate box.
 - 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. If you attach a report, you will not be liable for any inaccurate or incomplete information contained in it so long as you were not grossly negligent in obtaining or transmitting the information.
 - b. If you check "No", you are stating that you have no actual knowledge of any problem. If you check "No" and you know there is a problem, you may be liable for making an intentional misstatement.
 - 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.
 - * If you check "Yes" or "No" and something happens to the property to make your Disclosure Statement incorrect or inaccurate (for example, the roof begins to leak), you must promptly give the purchaser a corrected Disclosure Statement or correct the problem.
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 Disclosure Statement to the purchaser no later than the time the purchaser makes an offer to purchase your property. If you do not, the purchaser can, under certain conditions, cancel any resulting contract (See "Note to Purchasers" below). You should give the purchaser a copy of the Disclosure Statement containing your signature and keep a copy signed by the purchaser for your records.

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: 3613 DEERING DRIVE RALEIGH, NC 27616

Owner's Name(s): ESTATE OF SUE W. STINES AND BILL J. STINES LIVING TRUST

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

Owner Signature: Judy A. Stines EXECUTOR Date 01/06, 2012

Owner Signature: Billy J. Stines Executor Date 1/6/12 EOLC

Purchaser(s) 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). Purchaser(s) are encouraged to obtain their own inspection from a licensed home inspector or other professional.

Purchaser Signature: _____ Date _____

Purchaser Signature: _____ Date _____

Property Address/Description: 3613 DEERING DRIVE RALEIGH, NC 27616

Regarding the property identified above, including the dwelling unit(s) and lot to be conveyed, and not sheds, detached garages or other buildings, to your knowledge is there 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?..... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| a. Siding is: <input checked="" type="checkbox"/> Masonry <input type="checkbox"/> Wood <input type="checkbox"/> Composition/Hardboard <input checked="" type="checkbox"/> Vinyl <input type="checkbox"/> Synthetic Stucco <input type="checkbox"/> Other <u>N/A</u> | | | <input type="checkbox"/> |
| b. Approximate age of structure? <u>10 years</u> | | | <input type="checkbox"/> |
| 2. ROOF (leakage or other problem)?..... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| a. Approximate age of roof covering? | | | <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?..... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| a. Heat Source is: <input type="checkbox"/> Furnace <input checked="" type="checkbox"/> Heat Pump <input type="checkbox"/> Baseboard <input type="checkbox"/> Other | | | <input type="checkbox"/> |
| b. Cooling Source is: <input checked="" type="checkbox"/> Central Forced Air <input type="checkbox"/> Wall/Window Unit(s) <input type="checkbox"/> Other | | | <input type="checkbox"/> |
| 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"/> |
| 7. WATER SUPPLY (including water quality, quantity and water pressure)?..... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| a. Water supply is: <input checked="" type="checkbox"/> City/County <input type="checkbox"/> Community System <input type="checkbox"/> Private Well <input type="checkbox"/> Other | | | <input type="checkbox"/> |
| b. Water pipes are: <input type="checkbox"/> Copper <input type="checkbox"/> Galvanized <input type="checkbox"/> Plastic <input type="checkbox"/> Other <input checked="" type="checkbox"/> Unknown..... | | | <input type="checkbox"/> |
| 8. SEWER AND/OR SEPTIC SYSTEM?..... | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| a. Sewage disposal system is: <input type="checkbox"/> Septic Tank <input type="checkbox"/> Septic Tank with Pump <input type="checkbox"/> Community System <input 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"/> |
| 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"/> |

Owner(s) Initials and Date AKS 01/06/2012 Purchaser(s) Initials and Date AKS 1/6/2012

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

- 13. ROOM ADDITIONS OR OTHER STRUCTURAL CHANGES?
- 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?
- 15. COMMERCIAL, INDUSTRIAL, OR MILITARY NOISE, ODOR, SMOKE, ETC. AFFECTING THE PROPERTY?
- 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?
- 17. UTILITY OR OTHER EASEMENTS, SHARED DRIVEWAYS, PARTY WALLS OR ENCROACHMENTS FROM OR ON ADJACENT PROPERTY?
- 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?
- 19. FLOOD HAZARD or that the property is in a FEDERALLY-DESIGNATED FLOODPLAIN?
- 20. PRIVATE ROAD(S) OR STREET(S) adjoining the property?
 - a. If yes, do you know of an existing owners' association or maintenance agreement to maintain the road or street?

* If you answered "Yes" to any of the above questions, please explain (Attach additional sheets, if necessary):

In lieu of providing a written explanation, you may attach a written report to this Disclosure Statement by a public agency, engineer, land surveyor, geologist, pest control operator, contractor, home inspector or other expert, dealing with matters within the scope of that public agency's functions or the expert's license or expertise.

Also regarding the property identified above, including the dwelling unit(s), any sheds, detached garages, other buildings or the lot to be conveyed, answer each of the questions below based on your actual knowledge:

21. Is the property subject to regulation by one or more owners' association(s) and governing documents which impose various mandatory covenants, conditions, and restrictions upon the lot, including, but not limited to obligations to pay regular assessments or dues and special assessments? Yes* No Representation
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*If you answered "No" or "No Representations" to question 21 above, you do not need to answer the remaining questions on this Disclosure Statement. If you answered "Yes" to question 21 above, you must complete the remainder of this Disclosure Statement.

22. The property is subject to the following owners' association(s) (insert N/A into any blank that does not apply):
 (specify name) GRANDCHESTER MEADOW PROPERTY MANAGEMENT whose regular assessments ("dues") are \$ 300.00 per YEAR. The name, address, and telephone number of the president of the owners' association or the association manager are: DAVID ROSSBINS, MANAGER, McKinley Hill HOA, P.O. Box 37027 RALEIGH, NC 27627 919-389-7944 (GENERAL QUESTIONS) 919-757-1718 (ASSESSMENT QUESTIONS)
www.grandchestermeadows.com (McKinley Hill)
 (specify name) _____ whose regular assessments ("dues") are \$ _____ per _____. The name, address, and telephone number of the president of the owners' association or the association manager are: _____

23. As of the date this Disclosure Statement is signed, there are no other dues, fees, or special assessments which have been duly approved as required by the applicable declaration or bylaws, payable to an association to which the lot is subject, except: _____

Owner(s) Initials and Date AK 01/06/2012 Purchaser(s) Initials and Date BJ 1/6/2012

24. As of the date this Disclosure Statement is signed, there are no unsatisfied judgments against or pending lawsuits involving the property or lot to be conveyed, the planned community or the association to which the property and lot are subject, with the exception of any action filed by the association for the collection of delinquent assessments on lots other than the property and lot to be conveyed, except: _____

25. The following services and amenities are paid for by the above owners' association(s) from the regular assessments ("dues"): (Check all that apply).

| | Yes* | No | No Representation |
|---|-------------------------------------|-------------------------------------|--------------------------|
| Management Fees | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Exterior Building Maintenance of Property to be Conveyed | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Exterior Yard/Landscaping Maintenance of Lot to be Conveyed | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Common Areas Maintenance | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Trash Removal | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Recreational Amenity Maintenance | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Pest Treatment/Extermination | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Street Lights | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Water | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Sewer | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Stormwater Management/Drainage/Ponds | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Internet Service | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Cable | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Private Road Maintenance | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Parking Area Maintenance | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| Gate and/or Security | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

Other (specify) REAL PROPERTY TAXES ON THE COMMON AREAS
CASUALTY/LIABILITY INSURANCE ON COMMON AREAS

\$75.00 TRANSFER FEE

Owner(s) Initials and Date AK 01/06/2012 BJ 1/6/2012 Purchaser(s) Initials and Date _____