

**LANDMARK SOTHEBY'S INTERNATIONAL REALTY DISCLOSURE**

Property Address: 206 Sunrise Crossing Dr Kill Devil Hills NC 27948  
Seller(s) Name(s): Kelly Dean  
Buyer(s) Name(s): \_\_\_\_\_

**SEPTIC DISCLOSURE**

This property disclosure is to inform potential buyers that residential septic systems in Coastal North Carolina have generally been permitted for two persons per bedroom. It is common for rental cottages to be advertised as accommodating more occupants than the permitted number in order to maximize rental income. The property being offered for sale is permitted for a maximum of \_\_\_\_\_ bedrooms, but has been advertised to accommodate \_\_\_\_\_ people. It is important to note that the interpretation and enforcement of health department laws and municipal regulatory actions may impact future rental income.

**FLOOD INSURANCE DISCLOSURE**

Your mortgage lender may require you to obtain flood insurance when purchasing this property. While the National Flood Insurance Program does provide coverage, premiums are based on the area's risk of flooding, which may result in an increase in premiums. Recent amendments to federal law governing the NFIP have caused some premiums to increase substantially. Thus, relying on the previous premiums paid for flood insurance for this property may not be an accurate indication of future premiums. It is recommended that you consult with one or more carriers of flood insurance to fully understand coverage options, the likely cost of premiums, and any available information regarding potential future increases.

**Coastal NC Area Management Act (CAMA)**

Coastal North Carolina properties fall under the jurisdiction of CAMA, a state organization designed to regulate land disturbance activities within an area of environmental concern (AEC). CAMA promulgates regulations regarding development located within the AEC. The Buyer acknowledges that they have been informed of this fact and are advised to consult with a licensed engineer to determine how CAMA regulations affect Coastal NC properties and developing their property. NFIP Insurance may not be available in CAMA areas and you should consult with a North Carolina licensed insurance broker.

**Coastal Erosion**

Coastal North Carolina and the barrier islands are prone to erosion issues, which may impact your property. We encourage you to research erosion rates in the area and to consider hiring a third party to conduct a study specific to your property. Further information on erosion and its effects on properties in this area can be found on <https://deq.nc.gov/about/divisions/division-coastal-management>.

Erosion rates can vary depending on a variety of factors, including but not limited to weather patterns, storm events, and are governed by various federal, state and local regulations. It is your responsibility as the buyer to conduct due diligence on this matter and to seek out any information or assistance necessary to make an informed decision regarding your purchase.

**BEACH NOURISHMENT SPECIAL ASSESSMENT DISCLOSURE**

This property is possibly subject to a special assessment that may be levied by the County or applicable municipality to support proposed beach nourishment project(s). The exact amount of such assessment and the properties that will be subjected to it remain to be determined.

**YOUR RIGHT TO USE A MORTGAGE PROVIDER AND SETTLEMENT ATTORNEY OF YOUR CHOICE**

You have the Right to Use the mortgage lender, title insurer, insurance carrier, and closing attorney of your choice. While your Agent may be able to offer recommendations, ultimately the decision is yours to make. Remember to carefully review and compare all offers before making a final decision.

**FOR SALE BY OWNER PROPERTIES**

The buyer of a property being sold directly by the owner gives permission to Landmark Sotheby's International Realty to list the sale in the Multiple Listing Service solely for the purpose of using it as a comparable sale.

**GROUND FLOOR ENCLOSURE DISCLOSURE**

**Permitting Issues:** Many ground floor living areas may have been completed without the necessary building permits. A building inspector or other appropriate official may require the ground floor to be removed or altered to meet current building codes at your expense. To find out if the ground floor was completed with the appropriate building permits, you may check the permits at the appropriate building inspector's office or ask your Agent to assist you in getting copies of any permits applicable to this property.

**Zoning Issues:** Many ground floor areas are used for purposes not allowed by law, including but not limited to, rental space (whether residential or commercial). Sometimes the law might not allow a change in the use of a property. Many times, this is a violation of the applicable zoning ordinances. It is possible that a local governmental official will demand that this use be stopped. To find out if this property is zoned for the use(s) you intend, ask your Agent or the local planning and zoning offices.

**Federal Emergency Management Agency (FEMA) Issues:** Many ground floor living areas are below the current minimum flood zone elevation. It is possible that FEMA will demand these ground floor living areas be altered to meet FEMA guidelines. Typically, a licensed surveyor determines the elevation of properties. A seller may have this information documented. The local Flood-Plain Administrator can tell you the flood zone elevation of the property. Your Agent can help you fund this information or you may want to contact an insurance agent.

**Flood Insurance Issues:** Many ground floor living areas have been enclosed with owners obtaining all of the necessary permits; however, Federal flood insurance may not cover flood damages to a ground floor enclosure of homes with piling foundations. To learn the extent to which ground floor living areas of the home you are purchasing may be covered by applicable flood insurance, the elevation of the home and the specific flood zone of the property must be determined. Your Agent can help you find this information or you may want to contact an insurance agent.

**Restrictive Covenant Issues:** Some ground floor enclosures may be in violation of applicable restrictive covenants. It is possible that other property owners or authorities will demand that the ground floor

enclosure be removed. You may want to review the applicable restrictive covenants for further information regarding ground floor enclosures or ask your Agent or attorney for assistance.

**MISCELLANEOUS:**

**Ad Valorem Taxes:** The property taxes for this property are reassessed at least every eight years. The last assessment was completed in 2020.

**Wetlands:** Many properties on the Coastal North Carolina are subject to wetlands restrictions. The Buyer should investigate and determine whether this property is subject to any wetland's restrictions.

**Short Term and Vacation Rentals:** See the Vacation Rental Addendum, if applicable, for information regarding short term and vacation rentals. Please note that any short-term or vacation rental income associated with the subject property will be prorated at the time of closing based on the closing date. This includes rental income, HOA fees, and taxes. It is important to understand that North Carolina licensed vacation rental managers are subject to the Vacation Rental Act, which may differ from policies of platforms such as VRBO and Airbnb. We encourage you to research any rental managers or platforms used for the subject property and to seek out any information or assistance necessary to ensure compliance with applicable regulations and policies.

**Unexploded Ordinance:**

While it is extremely rare, please be aware that properties located in the Outer Banks may have unexploded ordinance (UXO) on or near the property. During World War II, this area was used for training and may contain UXO that was not detonated.

**Builder Referral Disclosure:** If Buyer uses the services of an agent to hire a builder, Buyer acknowledges that the agent may receive a referral fee from the builder.

**Property Management Disclosure:** If Buyer purchases a home and places it in a vacation rental program, Buyer acknowledges that the Buyer's agent may receive a referral fee from the Property Management Firm.

**Land Transfer Taxes and Stamp:** On the sale of this property, the owner will be subject to a land transfer tax of 1% of the sales price PLUS \$1/500 (0.2%) for revenue stamps. The Seller should investigate and determine the exact amount of these fees.

**Major/Material Projects Near the Subject Property**

There may be major or material projects planned or under development in the vicinity of the subject property that could impact its value or enjoyment. These projects may include, but are not limited to, commercial developments, infrastructure improvements, or public facilities.

Specifically, there is a proposed new bridge in Corolla Bay that may be developed in the future, which may have a significant impact on the surrounding area. We encourage you to research the potential effects of this or any other project on the subject property and to seek out any information or assistance necessary to make an informed decision regarding your purchase.

**Hold Harmless**

I hereby agree to indemnify and hold Landmark Sotheby's International Realty and its agents harmless from and against any and all liability, claim, expense, loss, damage, suit or cause of action in any way arising as a result of this disclosure or any and all subject matter contained herein.

**BUYER:**

\_\_\_\_\_

Date: \_\_\_\_\_

**BUYER:**

\_\_\_\_\_

Date: \_\_\_\_\_

**SELLER:**

DocuSigned by:  
*Kelly Dean* 

\_\_\_\_\_

Date: 12/5/2024 | 7:01 AM EST

**SELLER:**

\_\_\_\_\_

Date: \_\_\_\_\_