



HTR COASTAL PROPERTIES, LLC
DISCLOSURE TO BUYER FROM SELLER
AND BUYER ACKNOWLEDGMENT

The following, if initialed, are applicable to the transaction as contemplated in the Offer to Purchase and Contract by and between Indian Trace Management LLC (“Seller”) and _____ (“Buyer”):

Covenant and Zoning Disclosure Agreement. Buyer acknowledges that Seller has not performed a full title examination of the property, in order to determine the existence of restrictive covenants and other conditions of title to the property in question, including zoning requirements, the existence of a homeowners association, or easements. If available and requested, such restrictions and conditions have been or will be supplied to Buyer, and, if applicable, Buyer acknowledges receipt of same. Buyer is advised to seek legal counsel should there be a question regarding the legal implications of such restrictions and conditions, if any, including, if applicable, whether the common area has been conveyed to the homeowners association.

Public versus Private Road Acknowledgment. Buyer acknowledges that the access to the Property to be purchased is via a _____ public private (check one) road. If private, the road is currently maintained by _____ the developer the homeowners association _____ the owners fronting the road right of way (check one). If private and maintained by the developer, the road _____ will _____ will not (check one) be turned over to the North Carolina Department of Transportation (NCDOT) for future maintenance. Buyer is advised to verify whether the road, if public, has been accepted into the NCDOT road system for future maintenance. The website for this verification is <https://apps.dot.state.nc.us/srlookup/>. Buyer is advised to seek legal counsel should there be a question regarding the legal implications of road maintenance if the road is private and/or has not been accepted into the NCDOT road system.

Disclosure and Release Regarding Mold. Mold and/or other microscopic organisms may exist in or around the Property, which can cause physical injuries, including, but not limited to, allergic and/or respiratory reactions, particularly in persons with immune systems problems, young children or the elderly. Buyer acknowledges this and accepts full responsibility and risk for any and all injuries which may arise out of the exposure by client to mold and/or other microscopic organisms. Buyer is advised to conduct his/her/their own due diligence using appropriate and qualified experts.

Buyer Initials _____ Buyer Initials _____ Seller Initials DS _____ Seller Initials _____

Square Footage and Property Size/Dimensions. The measurements and square footage of the Property are as disclosed in the MLS listing, and reviewed for accuracy using the tax card filed with the county. The Property _____ has does not have (check one) additional unpermitted square footage per the disclosure statement, meaning some improvements creating finished area, formerly unfinished area, may have been completed without permitting the process with the appropriate zoning authorities. **The unpermitted square footage may be uninsurable or even be required to be removed in the future, and therefore, Buyer is advised to consult with the local building inspector, Buyer's insurance agent, and closing attorney, should Buyer wish to verify the accuracy of the Property dimensions, whether the finished rooms were properly permitted, and the consequences if there is unpermitted square footage.** This information is deemed reliable but is not guaranteed.

Proposed Highway Expansion. The Property is included in the area designated by the North Carolina Department of Transportation as an area either within or close to a parcel being considered for the following highway extension or expansion (check as applicable): US Highway 70/Future I-42 Corridor _____; Other: _____.
Buyer is advised to contact the North Carolina Department of Transportation for further information.

Aircraft Noise Notification. The Property is located in an area adjacent to or near an airport, which may expose the Property to regular and concurrent aircraft noise levels exceeding the typical ground-based noise. Exposure to aircraft noise may affect the usability of the Property.

As-Built Survey. Buyer is advised that the Property may not have been surveyed by the Seller, or there is not a survey available showing the location of the improvements, wetlands areas, and impervious surfaces on the Property. Buyer is advised to have a new survey performed, and that if Buyer chooses not to obtain one, then he/she/they understand(s) and acknowledge(s) that an owner's policy of title insurance will not insure him/her/them for matters of survey, including encroachments, set back violations, impervious surface violations, wetlands restrictions, or property line disputes. Buyer is further advised that impervious surface rules and wetlands designations may prevent future improvements to the home or lot, including, but not limited to, any additions, paving and outbuildings, and Buyer should seek legal or survey counsel to verify.

Buyer Initials _____ Buyer Initials _____ Seller Initials  Seller Initials _____

Flood Zones and Flood Insurance. Buyer is advised that some or all of the Property is is not _____ (check one) located in a Special Flood Hazard Area. Buyer is advised that even if the Property is not in a flood zone, and flood insurance is therefore not required by Buyer's lender, if the property has water intrusion from some outside body of water, Buyer's homeowner's policy may not cover the damage. Flood insurance is available through FEMA's National Flood Insurance Program for participating areas. Buyer should obtain information from Buyer's insurance company, to determine what water-related issues are covered, whether Buyer should or must obtain flood insurance in addition to homeowners insurance, and whether the Property is located in an area which participates in the National Flood Insurance Program. Buyer is also advised that the current owner or a prior owner of the property has _____ has not (check one) received governmental grant or loan disaster assistance due to storm damage, thereby subjecting future buyers to mandatory flood insurance.

Coastal Hazards. Buyer is advised that the Property is _____ is not (check one) located within a Coastal Barrier Resource System area. As a result of such designation, future development of the Property may be restricted. Sandbags, if any, located within the dune structure may be subject to future removal at Buyer's expense. Properties may be subject to requirements for beach re-nourishment, and changes in waterfront regulations or destruction of the dunes due to storm damage may result in a future classification of the Property as "non-conforming".

Coastal Property Insurance Pool. Buyer is advised that the Property is is not _____ (check one) located in an area subject to wind and hail coverage through an insurance pool. Buyer should obtain information from Buyer's insurance company, to determine the availability and cost of wind and hail insurance for the Property.

Off-Site Septic Field. Buyer is advised that the Property contains either a Repair Field or Drain Field that is not a part of the lot and may not even be a contiguous parcel to the Property. The additional lot may either be an additional fee parcel, or a parcel owned by someone else but subject to an easement for Buyer's septic use. Buyer is advised that said additional lot may require additional maintenance and/or County inspections.

Radon. Radon is a colorless, odorless gas which comes from the natural breakdown of uranium in the soil. It is found in homes nationwide including North Carolina. It typically moves up from the ground through cracks or holes in the foundation and may become trapped in the home or well water, creating higher than Federally acceptable amounts in the air and water supply (4.0 picocuries per liter is the minimum acceptable amount). Radon can be remediated and Buyer is advised to have the home and well tested to determine whether remediation may be required.

Fencing and Accessory Structures. Buyer is advised that construction of a fence or accessory structure, including a pool, garage or storage building, may require a building or zoning permit, as well as an architectural approval application if the property is located in a subdivision with restrictive covenants. In addition, the construction of same may result in a violation of impervious surface rules for the lot. If these additions are important, Buyer is advised to contact the appropriate authorities in order to obtain approval.

Buyer Initials _____ Buyer Initials _____ Seller Initials ^{DS} UP _____ Seller Initials _____

Animals. Buyer is advised that municipal or county regulations, or restrictive covenants, may limit the number and types of pets permitted. Underground fencing may also require a permit or notice to the public of its existence on the Property.

Underground Storage Tank. If checked, Buyer is advised that the Property contains an underground storage tank that _____ is _____ is not (check one) currently being used for the following purpose: _____. If applicable, the tank _____ has _____ has not (check one) been appropriately abandoned as required by local, state and Federal applicable laws. Buyer is advised to seek legal counsel to determine the impact of such disclosed information.

Homes Constructed Prior to 2000. Older homes may contain hazardous or defective materials, including, but not limited to, asbestos, lead based paint, synthetic stucco or composition siding, and polybutylene or cast iron piping. If Buyer is specifically concerned about any of these building materials being in the home, and the home was constructed prior to 2000, then Buyer is advised to procure specific inspections to address whether there exist any potential hazards in the home and the possible effects as a result of the existence of these materials in the home.

School Assignments. Assignments to a particular school or schools for the Property are not guaranteed. Current assignments are subject to change due to redistricting, capped schools or construction of new schools. If important to the Buyer, Buyer should consult with the local school system prior to presenting an offer.

Well Contaminants. If the home's water supply is a well, then Buyer is advised to have the water supply tested for not only for potential bacterial contaminants, such as, e-coli and coliform, but also for radon, uranium and radium. Buyer executes this document acknowledging receipt thereof.

This the _____ day of _____, 20_____.

Buyer

Buyer

DocuSigned by:
Linwood Parker

Seller

Seller