

Village Realty Buyer Disclosure Form

Acknowledgement: By signing at the bottom of this form, I acknowledge that I have read and understand the policies and disclosures in this notice and that I have received a copy of the notice.

Coastal Property Ownership: You are advised that along with the obvious benefits of coastal property ownership on the Outer Banks come inherent risks such as storms, coastal erosion and periodic flooding. You are advised to consult with your insurance agent to discuss the coverage available to you as a property owner against such risks. In addition, many properties in the Outer Banks are subject to building setbacks and wetlands restrictions. You are advised to consult with your closing attorney and a licensed survey or regarding these issues.

Flood Hazard Zone: The subject property is located in an area which FEMA has found to have special flood hazards and that it may be necessary to purchase and escrow flood insurance in order to obtain any loan secured by the property from any federally regulated institution or a loan insured or guaranteed by an agency of the U.S. Government.

Survey, Septic, Home and Pest Inspection Disclosure: As with any purchase of improved real property, you are advised to have a survey, a home inspection, a septic inspection and a pest inspection of the property performed by appropriately licensed providers. Please consult with your agent regarding the ordering of a home or pest inspection.

Restrictive Covenants: Many properties on the Outer Banks are located in subdivisions which are subject to restrictive covenants that may be enforced by property owner associations and may be subject to association dues and/or assessments. Please consult with your agent or closing attorney regarding the applicability of restrictive covenants to your property. If your property is subject to restrictive covenants, any improvements and any changes in the exterior appearance or landscaping of your improved property may be subject to approval by pertinent Architectural Review Committee(s) for your subdivision.

Special Governmental Assessments: Properties on the Outer Banks may be subject from time to time to special governmental assessments levied by the County or Town in which your property is located to assist in funding such projects as beach nourishment. You are advised to consult with your real estate agent or closing attorney to determine the date, amount and other specifics of any assessments.

Septic Disclosure: In most cases the size of residential septic systems on the Outer Banks limit the number of bedrooms and/or occupants of a residence. A rental cottage may be furnished to allow for more occupants than permitted based on the size of the septic system in order to maximize rental income. In addition, a property may be serviced by a community septic system with similar restrictions. To find out what the occupancy is for the property you own or the property you are considering to purchase, you or your agent may contact the Environmental Health Department or other appropriate government agency in the county or town where the residence is located.

Community Septic System Disclosure: Some properties on the Outer Banks may be located in an area serviced by a community septic system and may require property owners to be responsible for a service fee assessed by the operator of the system. There may also be restrictions on the construction of water supply wells and the use of underground waters. Consult with your agent to determine the type of septic system applicable to your property.

Home Warranty Disclosure: Home warranties can be purchased by both the buyer and the seller and will cover the repair of specific components of a home that may break during the listing period and/or the first year of ownership by the buyer. If a home warranty is purchased through American Home Shield, Village Realty and/or its agent may receive a fee for handling the paper work involved. For more information about home warranty programs, please speak to your agent or ask for a copy of available home warranty plans.

Property Management Disclosure: Buyers that purchase a home and place it in a vacation rental program acknowledge that their agent may receive a referral fee from the Property Management Firm.

Buyer Initials: _____

Builder Referral Disclosure: Buyers who purchase a lot and use the services of an agent in securing a builder acknowledge that their agent may receive a referral fee from the builder.

Ground Floor Enclosure Disclosure: The architecture in coastal areas of North Carolina is conducive to homeowners finishing the ground floors of their homes as living area. There are many implications to completing these ground floors that buyers and sellers should understand.

Permitting: Some ground floor living areas were completed without the owner obtaining a building permit. In this case the county or town building inspector may require this ground floor enclosure to be removed or altered to meet current building codes. To find out if the ground floor enclosure was completed with building permits you or your agent should contact the local building inspector's office.

Zoning: Some ground floor enclosures are leased giving the appearance of a duplex. This can be a violation of single family residential zoning codes. It is possible that local governmental officials will not allow the ground floor to be leased. To find out if the property is zoned for multi-family use, ask your agent or the local planning official show the property is zoned.

Federal Emergency Management (FEMA): Many ground floor living areas are below the current flood zone elevation. It is possible that FEMA may require these ground floor living areas to be altered to meet FEMA guidelines. A licensed surveyor determines the elevation of improved properties. The local Flood-Plain Administrator can tell you the flood zone elevation of that property. Your agent can help you find this information or you may want to contact a surveyor or the local Flood-Plain Administrator.

Flood Insurance: Some ground floor living areas have been enclosed with proper permitting. However, federal flood insurance may not cover all flood damages to a ground floor enclosure of homes with piling foundations in some flood zones. To find out of the ground floor living area of the home you own or the home you are considering to purchase is completely covered, the elevation of the home must be determined as well as the specific flood zone where the property is located. Your agent can help you find this information or you may want to contact an insurance agent.

Restrictive Covenants: Some ground floor living areas were enclosed contrary to restrictive covenants of a subdivision. It is possible that property owners of the subdivision may request to have the ground floor area removed. You should check the restrictive covenants of the subdivision for information regarding ground floor enclosures or ask your agent or attorney for help in this area.

Munitions and Ordinance Safety: According to the U.S. Army Corps of Engineers, certain portions of the Northern Outer Banks were used as a military training area in the 1940s. While there are no known reports of military munitions being found, the area could potentially contain munitions. You should contact the Corps' Formerly Used Defense Sites hotline for further information at 1-855-765-FUDS (3837) if you have concerns.

Closing Fraud Warning: Be aware that instances of fraud surrounding funds at Closing are increasing. NEVER wire or transfer closing funds in any manner without personally consulting your closing attorney. Your Village Realty agent will never email you wiring instructions for closing funds. ALWAYS VERIFY IN PERSON.

Buyer	Date	Buyer	Date
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