



**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. 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 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. 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 Statement incorrect or inaccurate (for example, the roof begins to leak), you must promptly give the purchaser a corrected 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 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 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: 710 N. Person St #306, Raleigh, 27604

Owner's Name(s): Frankie L. Fanelli

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

Owner Signature: *Frankie L. Fanelli* Date 8/26/08

Frankie L. Fanelli

Owner Signature: _____ Date _____

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 _____

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GOVERNORS SQUARE CONOMINIUM UN306

[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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a. Siding is <input checked="" type="checkbox"/> Masonry <input type="checkbox"/> Wood <input checked="" type="checkbox"/> Composition/Hardboard <input type="checkbox"/> Vinyl <input type="checkbox"/> Synthetic Stucco <input type="checkbox"/> Other			<input type="checkbox"/>
b. Approximate age of structure? <u>10 yrs</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? <u>10 yrs</u>			<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 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"/>
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 type="checkbox"/>	<input checked="" 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 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? <u>Monthly HOA</u>	<input checked="" type="checkbox"/>	<input 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?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
a. If yes, do you know of an existing owners association or maintenance agreement to maintain the road or street?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

*If you answered "Yes" to any of the above 21 questions, please explain (Attach additional sheets, if necessary):

Owner Initials and Date <u>JS 8/26/08</u>	Owner Initials and Date
Purchaser Initials and Date	Purchaser Initials and Date