

In accordance with N.C.G.S. § 150B-19.1(c), the Commission is considering the following proposed rule amendment. No federal certification or fiscal note is required for the proposed change.

The proposed rule amendment is preceded by a Notice of Text which provides information concerning the proposed amendment, including the reason for the amendment, the public hearing date, the public comment period, and procedures for submitting comments or objections to the proposed rule.

Following the Notice of Text is a summary of the proposed amendment followed by the text of the amended rule with changes denoted as follows. Where text has been added, the new text is underlined. Where text has been deleted, the deleted text is marked with a strike through.

Members of the public may submit oral or written comments on the proposed rule by contacting the rule-making coordinator as follows:

Thomas R. Miller
North Carolina Real Estate Commission
P.O. Box 17100
Raleigh, NC 27619
(919) 875-3700 (telephone)
(919) 582-9640 (fax)
legal@ncrec.gov

NOTICE OF TEXT FOR PROPOSED RULE CHANGE
EFFECTIVE JULY 1, 2012

SUMMARY OF PROPOSED AMENDMENT

Amend 21 NCAC 58A .0114(a) to change the the organization and format of the Residential Property and Owners' Association Disclosure Statement so that each of the disclosures is presented as an independent question, eliminating the lead-in and subordinate question format used in previous Disclosure forms. Also, to add additional disclosures regarding septic system permits, pest infestation, additions or structural changes to the dwelling, known violations of federal or state land use laws and regulations, the existence of noise, odor, and smoke from airports, restrictions to land use imposed by land conservation programs, and the existence of leases or rental agreements to which the property is subject.



NOTICE OF TEXT

[Authority G.S. 150B-21.2(c)]

OAH USE ONLY

VOLUME:

ISSUE:

CHECK APPROPRIATE BOX:

- Notice with a scheduled hearing
- Notice without a scheduled hearing
- Republication of text. Complete the following cite for the volume, issue, and date of previous publication, as well as blocks 1 - 4 and 7 - 13. If a hearing is scheduled, complete block 5.
- Previous publication of text was published in Volume: Issue:

1. Rule-Making Agency:

2. Agency website postings:

- Text of proposed rule posted at:
- Explanation and reason for proposed rule posted at:
- Federal Certification posted at:
- Instructions for oral and written comments posted at:
- Fiscal Note if prepared posted at:

3. Proposed Action -- Check the appropriate box(es) and list rule citation(s) beside proposed action:

ADOPTION:

AMENDMENT:

REPEAL:

4. Proposed effective date:

5. Is a public hearing planned? Yes No

If yes: Public Hearing date:
Public Hearing time:
Public Hearing Location:

6. If no public hearing is scheduled, provide instructions on how to demand a public hearing:

7. Explain Reason For Proposed Action:

8. The procedure by which a person can object to the agency on a proposed rule:

Procedure for Subjecting a Proposed Rule to Legislative Review: If an objection is not resolved prior to the adoption of the rule, a person may also submit written objections to the Rules Review Commission. If the Rules Review Commission receives written and signed objections in accordance with G.S. 150B-21.3(b2) from 10 or more persons clearly requesting review by the legislature and the Rules Review Commission approves the rule, the rule will become effective as provided in G.S. 150B-21.3(b1). The Commission will receive written objections until 5:00 p.m. on the day following the day the Commission approves the rule. The Commission will receive those objections by mail, delivery service, hand delivery, or facsimile transmission. If you have any further questions concerning the submission of objections to the Commission, please call a Commission staff attorney at 919-431-3000.

9. The person to whom written comments may be submitted on the proposed rule:

Name:

Address:

Phone (optional):

Fax (optional):

E-Mail (optional):

10. Comment Period Ends:

11. Fiscal impact (check all that apply).

If this form contains rules that have different fiscal impacts, list the rule citations beside the appropriate impact.

- State funds affected
- Environmental permitting of DOT affected
Analysis submitted to Board of Transportation
- Local funds affected
Date submitted to OSBM:
- Substantial economic impact (\geq \$500,000)
- Approved by OSBM
- No fiscal note required

12. Rule-making Coordinator:

Address:

Phone:

E-Mail:

Agency contact, if any:

Phone:

E-mail:

13. Signature of Agency Head* or Rule-making Coordinator:

***If this function has been delegated (reassigned) pursuant to G.S. 143B-10(a), submit a copy of the delegation with this form.**

Typed Name:

Title:

1 **21 NCAC 58A .0114 is proposed to be amended as follows:**

2
3 **21 NCAC 58A .0114 RESIDENTIAL PROPERTY AND OWNERS' ASSOCIATION DISCLOSURE**
4 **STATEMENT**

5 (a) Every owner of real property subject to a transfer of the type contemplated by Chapter 47E of the General
6 Statutes shall complete the following Residential Property and Owners' Association Disclosure Statement and
7 furnish a copy of the complete statement to a purchaser in accordance with the requirements of G.S. 47E-4. The
8 form shall bear the seal of the North Carolina Real Estate Commission and shall read as follows:

9
10 **[N.C. REAL ESTATE COMMISSION SEAL]**

11
12 **STATE OF NORTH CAROLINA**
13 **RESIDENTIAL PROPERTY AND ~~OWNER'S~~ OWNERS' ASSOCIATION DISCLOSURE STATEMENT**

14
15 **Instructions to Property Owners**

- 16
17 1. ~~G.S. 47E~~ The Residential Property Disclosure Act (G.S. 47E) ("Disclosure Act") requires owners of
18 residential real estate (single-family homes, individual condominiums, townhouses, and the like, and
19 buildings with up to four dwelling units) to furnish purchasers a Residential Property and Owners'
20 Association Disclosure Statement ("Disclosure Statement"). This form is the only one approved for this
21 purpose. A disclosure statement must be furnished in connection with the sale, exchange, option and sale
22 under a lease with option to purchase ~~(unless the tenant is already occupying or intends to occupy the~~
23 ~~dwelling)~~ where the tenant does not occupy or intend to occupy the dwelling. A disclosure statement is
24 not required for some transactions, including the first sale of a dwelling which has never been inhabited and
25 transactions of residential property made pursuant to a lease with option to purchase where the lessee
26 occupies or intends to occupy the dwelling. For a complete list of exemptions, see G.S. 47E-2.
27
28 2. You must respond to each of the questions on the following pages of this form by filling in the requested
29 information or by placing a check in the appropriate box.
30
31 a. If you check "Yes" for any question, you must explain your answer and either describe any problem or
32 attach a report from an attorney, engineer, contractor, pest control operator or other expert or public agency
33 describing it. If you attach a report, you will not be liable for any inaccurate or incomplete information
34 contained in it so long as you were not grossly negligent in obtaining or transmitting the information.
35
36 b. If you check "No", you are stating that you have no actual knowledge of any problem. If you check "No"
37 and you know there is a problem, you may be liable for making an intentional misstatement.
38

1 c. If you check "No Representation", you ~~have no duty~~ choose not to disclose the conditions or characteristics
2 of the property, even if you should have known of them.

3
4 ~~*d.~~ If you check "Yes" or "No" and something happens to the property to make your Disclosure Statement
5 incorrect or inaccurate (for example, the roof begins to leak), you must promptly give the purchaser a
6 corrected Disclosure Statement or correct the problem.

7
8 3. If you are assisted in the sale of your property by a licensed real estate broker, you are still responsible for
9 completing and delivering the Disclosure Statement to the purchasers; and the broker must disclose any
10 material facts about your property which they know or reasonably should know, regardless of your
11 responses on the Disclosure Statement.

12
13 4. You must give the completed Disclosure Statement to the purchaser no later than the time the purchaser
14 makes an offer to purchase your property. If you do not, the purchaser can, under certain conditions, cancel
15 any resulting contract (See "**Note to Purchasers**" below). You should give the purchaser a copy of the
16 Disclosure_Statement containing your signature and keep a copy signed by the purchaser for your records.
17

Note to Purchasers

If the owner does not give you a Residential Property and Owners' Association 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.~~ without penalty to you as the
purchaser. 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 Disclosure
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.

18
19 5. In the space below, type or print in ink the address of the property (sufficient to identify it) and your name.
20 Then sign and date.
21

Property Address: _____
Owner's Name(s): _____
*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: _____	Date _____, ____
Owner Signature: _____	Date _____, ____
<i>Purchaser(s) acknowledge receipt of a copy of this disclosure statement; <u>Disclosure Statement</u> 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 <u>strongly</u> encouraged to obtain their own inspection <u>inspection(s)</u> from a licensed home inspector or other professional.</i>	
Purchaser Signature: _____	Date _____, ____
Purchaser Signature: _____	Date _____, ____

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Property Address/Description: _____

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:

				No Repre-
	Yes*	No	No	sentation
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 type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
a. Siding is: <input type="checkbox"/> Masonry <input type="checkbox"/> Wood <input type="checkbox"/> Composition/Hardboard <input type="checkbox"/> Vinyl <input type="checkbox"/> Synthetic Stucco <input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Approximate age of structure? _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. ROOF (leakage or other problem)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
a. Approximate age of roof covering? _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. WATER SEEPAGE, LEAKAGE, DAMPNES OR STANDING WATER in the basement, crawl space or slab?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. ELECTRICAL SYSTEM (outlets, wiring, panel, switches, fixtures etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. PLUMBING SYSTEM (pipes, fixtures, water heater, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. HEATING AND/OR AIR CONDITIONING?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
a. Heat Source is: <input type="checkbox"/> Furnace <input type="checkbox"/> Heat Pump <input type="checkbox"/> Baseboard <input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Cooling Source is: <input type="checkbox"/> Central Forced Air <input type="checkbox"/> Wall/Window Unit(s) <input type="checkbox"/> Other _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

- ~~—c. Fuel Source is: Electricity Natural Gas Propane Oil Other _____~~
- ~~7. WATER SUPPLY (including water quality, quantity and water pressure)?~~
- ~~—a. Water supply is: City/County Community System Private Well
_____ Other _____~~
- ~~—b. Water pipes are: Copper Galvanized Plastic Other _____
_____ Unknown~~
- ~~8. SEWER AND/OR SEPTIC SYSTEM?~~
- ~~—a. Sewage disposal system is: Septic Tank Septic Tank with Pump
_____ Community System Connected to City/County System
_____ City/County System available Straight pipe (wastewater does not go into a septic or
other sewer system [note: use of this type of system violates state law])
_____ Other _____~~
- ~~9. BUILT IN APPLIANCES (RANGE/OVEN, ATTACHED MICROWAVE, HOOD/FAN,
DISHWASHER, DISPOSAL, etc.)?~~
- ~~10. PRESENT INFESTATION, OR DAMAGE FROM PAST INFESTATION OF WOOD
DESTROYING INSECTS OR ORGANISMS which has not been repaired?~~
- ~~11. DRAINAGE, GRADING OR SOIL STABILITY OF LOT?~~
- ~~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?~~
- ~~**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(S)?~~
- ~~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 FLOOD PLAIN?~~

20. ~~PRIVATE ROAD(S) OR STREETS 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:~~

	Yes*	No	No—Repre sentation
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?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

~~*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) _____ whose regular assessments ("dues") are \$ _____ per _____. The name, address, and telephone number of the president of the owners' association or the association manager are: _____~~

~~(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:~~

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:~~

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

	Yes*	No	No Repre-
			sentation
3			
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6	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
9	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
10	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
13	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
14	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
15	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
16	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
17	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
18	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
19	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
20	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
21	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
22			
23			
24			

25 **The following questions address the characteristics and condition of the property identified above, including**
 26 **the dwelling unit(s) and lot to be conveyed about which the owner has actual knowledge.**

	<u>Yes</u>	<u>No</u>	<u>No Repre-</u>
			<u>sentation</u>
27			
1. In what year was the dwelling originally constructed? _____.			<input type="checkbox"/>
2. Is there any problem, malfunction or defect with the dwelling's 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 type="checkbox"/>	<input type="checkbox"/>
3. The dwelling's exterior walls are made of what type of material? <input type="checkbox"/> Brick Veneer <input type="checkbox"/> Wood <input type="checkbox"/> Stone <input type="checkbox"/> Vinyl <input type="checkbox"/> Synthetic Stucco <input type="checkbox"/> Composition/Hardboard <input type="checkbox"/> Concrete <input type="checkbox"/> Fiber Cement <input type="checkbox"/> Aluminum <input type="checkbox"/> Asbestos <input type="checkbox"/> Other _____ (Check all that apply)			<input type="checkbox"/>
4. In what year was the dwelling's roof covering installed? _____ (Approximate if no records are available)			<input type="checkbox"/>
5. Is there any leakage or other problem with the dwelling's roof?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. Is there any water seepage, leakage, dampness or standing water in the dwelling's basement, crawl space, or slab?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Is there any problem, malfunction or defect with the dwelling's electrical system (outlets, wiring, panel, switches, fixtures, generator, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
8. Is there any problem, malfunction or defect with the dwelling's plumbing system (pipes, fixtures, water heater, etc.)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

9. Is there any problem, malfunction or defect with the dwelling's heating and/or air conditioning?
10. What is the dwelling's heat source? Furnace Heat Pump Baseboard
 Other _____
11. What is the dwelling's cooling source? Central Forced Air Wall/Window Unit(s)
 Other _____ (Check all that apply)
12. What are the dwelling's fuel sources? Electricity Natural Gas Propane Oil
 Other _____ (Check all that apply)
13. What is the dwelling's water supply source? City/County Community System
 Private Well Other _____ (Check all that apply)
14. The dwelling's water pipes are made of what type of material? Copper Galvanized
 Plastic Polybutylene Other _____ (Check all that apply)
15. Is there any problem, malfunction or defect with the dwelling's water supply (including water quality, quantity, or water pressure)?
16. What is the dwelling's sewage disposal system? Septic Tank Septic Tank with Pump
 Community System Connected to City/County System City/County System available
 Straight pipe (wastewater does not go into a septic or other sewer system [note: use of this type of system violates state law]) Other _____ (Check all that apply)
17. If the dwelling is serviced by a septic system, how many bedrooms are allowed by the septic system permit? _____
18. Is there any problem, malfunction or defect with the dwelling's sewer and/or septic system?
19. Is there any problem, malfunction or defect with the dwelling's 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, garage door openers, gas logs, or other systems?
20. Is there any problem, malfunction or defect with the dwelling's built-in appliances (range/oven, attached microwave, hood/fan, dishwasher, disposal, etc.)?
21. Is there any problem with present infestation of the dwelling, or damage from past infestation of wood destroying insects or organisms which has not been repaired?
22. Is there any problem with a present infestation of ants, roaches, mice, rats, bats, fleas, bedbugs, or other pests in the dwelling or any structure on the property?
23. Is there any problem, malfunction or defect with the drainage, grading or soil stability of the property?
24. Are there any structural additions or other changes to the dwelling or other buildings on the property?

- 25. Have you been notified that the property is in violation of any federal or state law, local zoning ordinances, restrictive covenants, or other land-use restrictions, or building codes (including the failure to obtain proper permits for room additions or other changes/improvements)?
- 26. Are there any hazardous or toxic substances, materials, or products (such as asbestos, formaldehyde, radon gas, methane gas, lead-based paint) which exceed government safety standards, any debris (whether buried or covered) or underground storage tanks, or any environmentally hazardous conditions (such as contaminated soil or water, or other environmental contamination) which affect the property?
- 27. Is there any noise, odor, smoke, etc. from commercial, industrial, airport, or military sources which affects the property?
- 28. Is the property subject to any land use restrictions imposed by land conservation programs?
- 29. Is the property subject to any utility or other easements, shared driveways, party walls or encroachments from or on adjacent property?
- 30. Is the property the subject of any lawsuits, foreclosures, bankruptcy, leases or rental agreements, judgments, tax liens, proposed assessments, mechanics' liens, materialmens' liens, or notices from any governmental agency that could affect title to the property?
- 31. Is the property subject to a flood hazard or is the property located in a federally-designated flood plain?
- 32. Does the property abut or adjoin any private road(s) or street(s)?
- 33. If there is a private road or street adjoining the property, is there in existence any owners' association or maintenance agreements dealing with the maintenance of the road or street?

If you answered "yes" to any of the questions listed above (1 – 33), 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, or by an attorney, 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.

The following questions pertain to the property identified above, including the lot to be conveyed and any dwelling unit(s), sheds, detached garages, or other buildings located thereon.

- | | <u>Yes</u> | <u>No</u> | <u>No Repre-
sentation</u> |
|--|--------------------------|--------------------------|--------------------------------|
| 34. <u>To your knowledge, 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? If your answer is "yes", please provide the information requested below as to each owners' association to which the</u> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

property is subject [insert N/A into any blank that does not apply]:

(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 _____

(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 _____

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*** If you answered "Yes" to question 34 above, you must complete the remainder of this Disclosure Statement. If you answered "No" or "No Representation" to question 34 above, you do not need to answer the remaining questions on this Disclosure Statement. Skip to the bottom of the last page and initial and date the page.**

	<u>Yes</u>	<u>No</u>	<u>No Repre- sentation</u>
35. As of the date this Disclosure Statement is signed, are there any dues, fees, or special assessments which have been duly approved as required by the applicable declaration or bylaws, and that are payable to an association to which the lot is subject? If your answer is "yes", please state the nature and amount of the dues, fees, or special assessments to which the property is subject: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

36. As of the date this Disclosure Statement is signed, are there any unsatisfied judgments against, or pending lawsuits <i>involving the property or lot to be conveyed</i> ? If your answer is "yes", please state the nature of each pending lawsuit, and the amount of each unsatisfied judgment: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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37. As of the date this Disclosure Statement is signed, are there any unsatisfied judgments against, or pending lawsuits <i>involving the planned community or the association to which the property and lot are subject</i> , 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? If your answer is "yes", please state the nature of each pending lawsuit, and the amount of each unsatisfied judgment: _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
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38. Which of the following services and amenities are paid for by the owners' association(s) identified above out of the association's regular assessments ("dues")? (Check all that apply).

	<u>Yes</u>	<u>No</u>	<u>No Repr- sentation</u>
<u>Management Fees</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Exterior Building Maintenance of Property to be Conveyed</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<u>Exterior Yard/Landscaping Maintenance of Lot to be Conveyed</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Common Areas Maintenance</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Trash Removal</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Recreational Amenity Maintenance</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Pest Treatment/Extermination</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Street Lights</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Water</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Sewer</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Storm water Management/Drainage/Ponds</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Internet Service</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Cable</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Private Road Maintenance</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Parking Area Maintenance</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Gate and/or Security</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<u>Internet Service</u>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Other: (specify) _____

1

Owner Initials and Date _____ Owner Initials and Date _____

Purchaser Initials and Date _____ Purchaser Initials and Date _____

2

3

4

(b) The form described in Paragraph (a) of this Rule may be reproduced, but the form shall not be altered or amended in any way.

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History Note: Authority G.S. 47E-4(b), (b1); 93A-3(c); 93A-6;

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Eff. October 1, 1998;

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Amended Eff. July 1, 2012, January 1, 2012; July 1, 2010; July 1, 2009; January 1,

9

2008; July 1, 2006; September 1, 2002; July 1, 2000.