

RESIDENTIAL PROPERTY DISCLOSURE STATEMENT

NOTICE TO SELLER AND PURCHASER

The Virginia Residential Property Disclosure Act (§ 55-517 et seq. of the Code of Virginia) requires the owner of certain residential real property, whenever the property is to be sold or leased with an option to buy, to furnish to the purchaser a RESIDENTIAL PROPERTY DISCLOSURE STATEMENT stating the owner makes the following representations as to the real property. Certain transfers of residential property are excluded from this requirement (see § 55-518).

Property Address/ 260 HILLCREST

ROCKY MOUNT VA 24151

Legal Description: _____

The undersigned owner(s) of the real property described above makes no representations or warranties as to the condition of the real property or any improvements thereon, and the purchaser(s) is advised to exercise whatever due diligence the purchaser(s) deems necessary including obtaining a certified home inspection, as defined in § 54.1-500, in accordance with the terms and conditions as may be contained in the real estate purchase contract, but in any event, prior to settlement on the parcel of residential real property.

The undersigned owner(s) makes no representations with respect to any matters that may pertain to parcels adjacent to the subject parcel, and the purchaser(s) is advised to exercise whatever due diligence the purchaser(s) deems necessary with respect to adjacent parcels in accordance with terms and conditions as may be contained in the real estate purchase contract, but in any event, prior to settlement on the parcel of residential real property.

The undersigned owner(s) makes no representations to any matters that pertain to whether the provisions of any historic district ordinance affect the property, and the purchaser(s) is advised to exercise whatever due diligence the purchaser deems necessary with respect to any historic district designated by the locality pursuant to § 15.2-2306, including review of any local ordinance creating such district or any official map adopted by the locality depicting historic districts, in accordance with terms and conditions as may be contained in the real estate purchase contract, but in any event, prior to settlement on the parcel of residential real property.

The undersigned owner(s) makes no representations with respect to whether the property contains any resource protection areas established in an ordinance implementing the Chesapeake Bay Preservation Act (§ 10.1-2100 et seq.) adopted by the locality where the property is located pursuant to § 10.1-2109, and the purchaser(s) is advised to exercise whatever due diligence the purchaser(s) deems necessary to determine whether the provisions of any such ordinance affect the property, including review of any official map adopted by the locality depicting resource protection areas, in accordance with terms and conditions as may be contained in the real estate purchase contract, but in any event, prior to settlement on the parcel of residential real property.

The undersigned owner(s) makes no representations with respect to information on any sexual offenders registered under Chapter 23 (§ 19.2-387 et seq.) of Title 19.2, and the purchaser(s) is advised to exercise whatever due diligence the purchaser(s) deems necessary with respect to such information, in accordance with terms and conditions as may be contained in the real estate purchase contract, but in any event, prior to settlement pursuant to that contract.

The undersigned owner(s) makes no representations with respect to whether the property is within a dam break inundation zone and the purchaser(s) is advised to exercise whatever due diligence the purchaser(s) deems necessary with respect to whether the property resides within a dam break inundation zone, including a review of any map adopted by the locality depicting dam break inundation zones.

The undersigned owner(s) makes no representations with respect to the presence of any stormwater detention facilities located on the property and the purchaser(s) is advised to exercise whatever due diligence the purchaser(s) deems necessary to determine the presence of any stormwater detention facilities on the property, in accordance with terms and conditions as may be contained in the real estate purchase contract, but in any event, prior to settlement pursuant to that contract.

The undersigned owner(s) represents that there are no pending enforcement actions pursuant to the Uniform Statewide Building Code (§ 36-97 et seq.) that affect the safe, decent, and sanitary living conditions of the real property described above of which the owner has been notified in writing by the locality, nor any pending violation of the local zoning ordinance which the violator has not abated or remedied under the zoning ordinance, within a time period set out in the written notice of violation from the locality or established by a court of competent jurisdiction, except as disclosed on this statement.

Additional Written Disclosure Requirements

Section 55-518.B. contains other disclosure requirements for transfers involving the first sale of a dwelling because the first sale of a dwelling is exempt from the disclosure requirements listed above. The builder of a new dwelling shall disclose in writing to the purchaser thereof all known material defects which would constitute a violation of any applicable building code.

In addition, for property that is located wholly or partially in any locality comprising Planning District 15, the builder or owner, if the builder is not the owner of the property, shall disclose in writing whether the builder or owner has any knowledge of (i) whether mining operations have previously been conducted on the property or (ii) the presence of abandoned mines, shafts, or pits, if any.

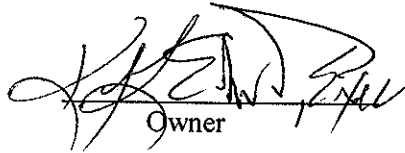
The disclosures required by this subsection shall be made by a builder or owner (i) when selling a completed dwelling, before acceptance of the purchase contract or (ii) when selling a dwelling before or during its construction, after issuance of a certificate of occupancy. Such disclosure shall not abrogate any warranty or any other contractual obligations the builder or owner may have to the purchaser. The disclosure required by this subsection may be made on this disclosure form. If no defects are known by the builder to exist, no written disclosure is required by this subsection.

Section 55-519.1 contains a disclosure requirement for properties located in any locality in which there is a military air installation.

Section 32.1-164.1:1 contains a disclosure requirement regarding the validity of septic system operating permits.

See also the Virginia Condominium Act (§ 55-79.39 et seq.), the Virginia Cooperative Act (§ 55-424 et seq.) and the Virginia Property Owners' Association Act (§ 55-508 et seq.).

The owner(s) acknowledge having carefully examined this statement and further acknowledge that they have been informed of their rights and obligations under the Virginia Residential Property Disclosure Act.

 10-26-09
Owner Date

Owner Date

The purchaser(s) acknowledge receipt of a copy of this disclosure statement and further acknowledge that they have been informed of their rights and obligations under the Virginia Residential Property Disclosure Act.

Purchaser Date

Purchaser Date

DPOR 7/09

55-518. Exemptions.

A. The following are specifically excluded from the provisions of this chapter:

1. Transfers pursuant to court order including, but not limited to, transfers ordered by a court in administration of an estate, transfers pursuant to a writ of execution, transfers by foreclosure sale or by a deed in lieu of a foreclosure, transfers by a trustee in bankruptcy, transfers by eminent domain, and transfers resulting from a decree for specific performance. Also, transfers by an assignment for the benefit of creditors pursuant to Chapter 9 (§ 55-156 et seq.) and transfers pursuant to escheats pursuant to Chapter 9 (§ 55-156 et seq.).
2. Transfers to a beneficiary of a deed of trust pursuant to a foreclosure sale or by a deed in lieu of foreclosure, or transfers by a beneficiary under a deed of trust who has acquired the real property at a sale conducted pursuant to a foreclosure sale under a deed of trust or has acquired the real property by a deed in lieu of foreclosure.
3. Transfers by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust.
4. Transfers from one or more co-owners solely to one or more other co-owners.
5. Transfers made solely to any combination of a spouse or a person or persons in the lineal line of consanguinity of one or more of the transferors.
6. Transfers between spouses resulting from a decree of divorce or a property settlement stipulation pursuant to the provisions of Title 20.
7. Transfers made by virtue of the record owner's failure to pay any federal, state, or local taxes.
8. Transfers to or from any governmental entity or public or quasi-public housing authority or agency.
9. Transfers involving the first sale of a dwelling; provided, that this exemption shall not apply to the disclosures required by § 55-519.1.

B. Notwithstanding the provisions of subdivision 9 of this section, the builder of a new dwelling shall disclose in writing to the purchaser thereof all known material defects which would constitute a violation of any applicable building code. In addition, for property that is located wholly or partially in any locality comprising Planning District 15, the builder or owner, if the builder is not the owner of the property, shall disclose in writing whether the builder or owner has any knowledge of (i) whether mining operations have previously been conducted on the property or (ii) the presence of abandoned mines, shafts, or pits, if any. The disclosures required by this subsection shall be made by a builder or owner (i) when selling a completed dwelling, before acceptance of the purchase contract or (ii) when selling a dwelling before or during its construction, after issuance of a certificate of occupancy. Such disclosure shall not abrogate any warranty or any other contractual obligations the builder or owner may have to the purchaser. The disclosure required by this subsection may be made on the disclosure form described in § 55-519. If no defects are known by the builder to exist, no written disclosure is required by this subsection.

(1992, c. 717; 1993, c. 824; 1994, cc. 80, 242; 2005, c. 510; 2006, c. 706; 2007, c. 265.)

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) _____ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

(ii) ☒ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller (check (i) or (ii) below):

(i) _____ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

(ii) ☒ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Purchaser's Acknowledgment (Initial)

(c) _____ Purchaser has received copies of all information listed above.

(d) _____ Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home*.

(e) Purchaser has (check (i) or (ii) below):

(i) _____ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii) _____ waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (Initial)

(f) ☒ Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

| | | | |
|-----------|------|-----------|------|
| Seller | Date | Seller | Date |
| Purchaser | Date | Purchaser | Date |
| Agent | Date | Agent | Date |



ROANOKE VALLEY ASSOCIATION OF REALTORS®



Agency Disclosure

Real estate licensees in Virginia are either individual persons or firms. All references to "Agent" in this disclosure refer to the individual and his or her firm's principal and/or supervising broker. When you enter into substantive discussions with an Agent regarding a specific property, from the outset you should understand what type of agency relationship exists between you and the Agent. All parties to a real estate transaction -- sellers, buyers -- should understand the unique and valuable role of the Agent. This role is defined by law and regulation.

Virginia real estate licensees are required by the Virginia Real Estate Board (Regulation Section 135-20-220.A) to make prompt disclosure of their agency relationship(s) to all actual and prospective parties to a transaction, who are not represented by an Agent, at the earliest practical time. This disclosure must be in writing and must be acknowledged by those parties.

THE AGENT'S DUTIES

An Agent owes certain duties to his client, called the "principal," among which are the duties of confidentiality, ordinary care and full accounting. (Even if an Agent is representing another party to a real estate transaction, the Agent can still provide you with a variety of information about general real estate procedures.) You should always keep in mind whom the Agent represents in your transaction, because that is the person(s) to whom these duties are owed.

Regardless of whose interests an Agent represents, all Agents are required by the REALTOR's Code of Ethics to treat all parties honestly. Furthermore, Agents are required by law and regulation to disclose all material adverse facts pertaining to the physical condition of the property actually known by the Agent, disclose other information required by law or regulation, and offer properties without discrimination. The responsibility of the Agent to make such disclosure will survive execution of any contract of purchase and continues in effect until settlement is concluded.

WHO DOES THE AGENT REPRESENT?

In any real estate transaction, an Agent may represent the Seller, the Buyer or, under certain circumstances, both the Buyer and the Seller.

The Seller - The Seller's Listing Agent and the firm's principal and/or supervising broker under a Seller's listing agreement act as the Agent for the Seller. The listing agreement may authorize the listing firm to list the property with the Multiple Listing Service and to cooperate with other Agents. These cooperating Agents, who frequently work for other firms, may operate under an agreement with the listing firm, in which case they act as a subagent for and owe their primary responsibilities to the Seller.

The Buyer - The Buyer's Agent and the firm's principal and/or supervising broker act as the Agent for the Buyer. The Buyer's Agent is not the Seller's Agent, even if the Purchase Agreement provides that the Seller or the Listing Firm pay the Buyer's Agent for services rendered to the Buyer. The Buyer's Agent must disclose his relationship with the Buyer whenever dealing with the Seller's Listing Agent or the Seller.

The Buyer - The Buyer and Seller may be represented in a particular transaction by the same firm, but only if the scope of the agency is limited by a written agreement and only with the express knowledge and written consent of both the
AND
The Seller - In this situation, either Disclosed Dual Agency or Disclosed Designated Agency will occur and the appropriate Consent and Confirmation Agreement must be signed by the Buyer and the Seller.

DISCLOSED DUAL AGENCY occurs when the Seller's Listing Agent, the Buyer's Agent and the firm's principal and/or supervising broker are in the same firm, all of whom are Disclosed Dual Agents representing both the Buyer and the Seller. A Disclosed Dual Agent representing both the Buyer and the Seller must disclose all information regarding the agency relationship, including the limitation on the Disclosed Dual Agent's ability to represent fully either party. Specifically, the Disclosed Dual Agent must not disclose to either party, without the prior written consent of the party adversely affected by the disclosure, any personal and financial information obtained in the course of the agency relationship. In addition, the Disclosed Dual Agent must not tell the Buyer that the Seller will accept a price lower than the listing price, nor tell the Seller that the Buyer will pay a price higher than the price offered. Nothing contained in this Disclosure shall prevent the Disclosed Dual Agent from disclosing to the Buyer and the Seller any material adverse facts pertaining to the physical condition of the property actually known by the Disclosed Dual Agent or any other information that must be disclosed by law or regulation.

OR

DISCLOSED DESIGNATED AGENCY occurs when the firm's principal and/or supervising broker elects to assign Disclosed Designated Agents to represent different clients in the same transaction. The firm's principal and/or supervising broker may elect to assign the Seller's Listing Agent as the Designated Seller's Agent and the Buyer's Agent as the Designated Buyer's Agent. However, the principal or supervising broker reserves the right to assign a Designated Agent other than the Seller's Listing Agent or Buyer's Agent. Unlike Disclosed Dual Agency, the Designated Seller's Agent and the Designated Buyer's Agent represent only the interests of their respective clients, and may therefore represent those interests fully. The principal and/or supervising broker will be considered a Disclosed Dual Agent of both the Seller and the Buyer clients. The Designated Seller's Agent and the Designated Buyer's Agent may not disclose, except to their principal and/or supervising broker, personal or financial information received from the clients in the course of the agency relationship and any other information that a client requests be kept confidential, unless required by law to be disclosed or the client consents to its disclosure in writing. In the event certain confidential information must be disclosed by law or ethics, the Designated Agent shall advise his client of the required disclosure.

PRINCIPAL'S RESPONSIBILITIES

The above duties of the Agent in a real estate transaction do not relieve a Seller or a Buyer from the responsibility to protect their own interests. You should carefully read all agreements to ensure that they adequately express your understanding of the transaction. A real estate Agent is a person qualified to advise about real estate. If specific legal or tax advice is desired, consult an attorney, accountant or tax professional.

A principal should ensure that any existing agency relationship is disclosed to other principals and their Agents. A Buyer should also consult the Buyer's Agent before contacting any other REALTORS® representing Sellers or visiting any specific property to avoid the possibility of confusion over the agency relationship.

You may receive more than one disclosure form, depending upon the number of Agents assisting in a transaction. The law requires each Agent with whom you have substantive discussions about specific property to present you with a written disclosure, unless you are represented by an Agent.

OTHER INFORMATION ABOUT PURCHASING REAL ESTATE

REAL ESTATE BOARD DISCLOSURE: The duties of real estate licensees in Virginia are set forth in Section 54.1-2130 et seq. of the 1950 Code of Virginia as amended and in the regulations of the Virginia Real Estate Board. You should be aware that in addition to the information contained in this disclosure pertaining to brokerage relationships, there may be other information relevant to the transaction which may be obtained from other sources.

MEGAN'S LAW DISCLOSURE: Purchaser(s) should exercise whatever due diligence they deem necessary with respect to information on any sexual offenders registered under Chapter 23 (19.2-387 et seq.) of Title 19.2. Such information may be obtained by contacting your local police department or the Department of State Police, Central Criminal Records Exchange at 804-674-2000 or www.vsp.state.va.us.

LEGAL REQUIREMENTS: Virginia law requires that in order to be enforceable, all contracts for real property must be in writing. There is a purchase agreement form which may be shown to you. The form an Agent recommends you use may be modified in any way to accommodate the needs of the parties. By law, your Agent may prepare or assist you in preparing your Purchase Agreement or response to a received agreement. You also have the right to legal counsel.

FINANCING AND INSURANCE: Mortgage rates and associated charges vary with financial institutions and the marketplace. Buyer has the right to select the lender and the right to negotiate terms and conditions of the loan. Such terms may be subject to Seller's approval and lender's requirements. Once the Seller and Buyer have agreed on the terms of the contract, the loan terms may not be changed without the written consent of the Seller. The lender will require the Buyer to buy hazard insurance on the Property from the insurance company of Buyer's choice, subject to the lender's approval. Buyer may also be required to purchase lender's title insurance and Buyer may wish to purchase owner's title insurance. Buyer may also consult an attorney concerning this decision.

MASTER PLANS: Prior to the execution of a contract, Buyer may review the existing zoning maps and the applicable comprehensive plan for the appropriate jurisdiction, including maps showing planned land uses, roads and highways, zoning and the location and nature of proposed parks and other public facilities. This can be viewed at various local or state governmental offices.

HAZARDOUS MATERIALS: Hazardous materials could affect properties being bought or sold. Agents generally do not have the technical expertise to advise as to whether or not such materials are present. Information pertaining to hazardous substances is available from the United States Environmental Protection Agency (EPA) or the Virginia Department of Health. For further information, one can contact local or state governmental offices. The Buyer has the right to include in their purchase offer a provision requiring that an expert inspect the Property for hazardous materials.

CONDITION OF PROPERTY: The Buyer has the right to include in their purchase offer a provision requiring that an expert inspect the Property and provide Buyer an analysis of its condition. Buyer normally will also have the right to conduct a pre-settlement or pre-occupancy final "walk-through" inspection of the property as defined in the Buyer's contract of sale.

IF YOU HAVE ANY QUESTIONS REGARDING THE ROLES AND RESPONSIBILITIES OF AGENTS, OR ABOUT ANY OTHER PORTIONS OF THIS STATEMENT, PLEASE DO NOT HESITATE TO ASK FOR MORE INFORMATION.

WE ACKNOWLEDGE RECEIPT OF A COPY OF THIS DISCLOSURE AND THAT MOUNTAIN TO LAKE REALTY
Firm Name

AND BILLY KINGERY/JULIE KINGERY ARE WORKING AS: ☒ SELLER'S AGENT. ☐ BUYER'S AGENT.
Agent

☐ Buyer ☒ Seller Karl L. Edwards (EXEC) Date 10-26-09
☐ Buyer ☐ Seller _____ Date _____

A REAL ESTATE BROKER IS QUALIFIED TO ADVISE ON MATTERS RELATING TO REAL ESTATE. IF YOU DESIRE LEGAL ADVICE, CONSULT YOUR ATTORNEY.

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