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C21 FOUNTAIN REALTY

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## LOT/LAND SELLER'S PROPERTY DISCLOSURE STATEMENT

This disclosure statement is designed to assist the Seller in providing information about the Property that is being transferred. This completed form constitutes the disclosure by the Seller. The information contained in the disclosure is the representation of the owner and not the representations of the listing real estate broker, the selling real estate broker and their respective licensees or sales persons, if any. This is not a warranty, or a substitute for any professional inspections or warranties that the Buyer may wish to obtain. Buyers and Sellers should be aware that any sales agreement executed between the parties will supersede this form as to any obligations on the part of the Seller to correct items identified below and/or the obligation of the Buyer to accept such item "AS IS."

### INSTRUCTIONS TO THE SELLER

Complete this form yourself and answer each question to the best of your knowledge. If an answer is an estimate, clearly label it as such. The Seller hereby authorizes any agent(s) representing any party in this transaction to provide a copy of this statement to any person or entity in connection with any actual or anticipated sale of the subject property.

PROPERTY ADDRESS Stone Creek Ln + Dunbar CITY Crossville (Parsi)  
 SELLER'S NAME(S) Dakota Landin LLC  
 DATE SELLER ACQUIRED THE PROPERTY 11.7.06

IF THE ANSWER TO ANY OF THE QUESTIONS LISTED BELOW IS "YES", PLEASE EXPLAIN IN DETAIL IN THE "ADDITIONAL EXPLANATIONS" SECTION.

- |  | YES                                 | NO                                  | UNKNOWN   |
|--|-------------------------------------|-------------------------------------|---|
| <b>1. SOIL, TREES, DRAINAGE AND BOUNDARIES:</b>  |                                     |                                     |   |
| (a) Is there or will there be any fill (other than foundation backfill) on the Property?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>                            |
| (b) Are there mine shafts or wells (in use or abandoned)?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>                            |
| (c) Are you aware of any past or present sliding, settling, earth movement, upheaval or earth stability/expansive soil problems?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>                            |
| (d) Is the Property or any part thereof located in a flood zone? <b>Small portion is wetlands</b>  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>                            |
| (e) Are you aware of any past or present drainage or flooding problems? <b>see survey</b>  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>                            |
| (f) Are you aware of any past or present diseased or dead trees?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>                            |
| (g) Are you aware of any past or present encroachments, boundary line disputes, leases or unrecorded easements?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>                            |
| (h) Has the Property been tested for soil and/or percolation?<br>If yes attach copy of test results.   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>                            |
| (i) Has the Property been evaluated for subsurface sewage disposal system?<br>If yes attach copy of test results.  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>                            |
| (j) Has the Property been surveyed to establish boundary lines?<br>Are the corner stakes in place and visible?<br>If yes attach copy of test results.  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/>                            |
|  | <input type="checkbox"/>            | <input type="checkbox"/>            | <input checked="" type="checkbox"/> <b>Some are</b> |
| <b>2. TOXIC SUBSTANCES:</b>  |                                     |                                     |   |
| (a) Are you aware of any underground tanks or toxic substances on the Property (structure or soil) such as asbestos, polychlorinated biphenyl (PCB's), ureaformaldehyde, methane gas, radioactive radon, or other materials? | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>                            |
| (b) Has the Property been tested for radon or any other toxic substance including Phase I testing?   | <input type="checkbox"/>            | <input type="checkbox"/>            | <input checked="" type="checkbox"/>                 |
| <b>3. THE PROPERTY:</b>  |                                     |                                     |   |
| (a) Consists of no less than <u>2.83</u> acres and the current zoning is <u>Commercial unrestricted</u>  |                                     |                                     |   |
| (b) Will conveyance of this Property include all mineral, oil and timber rights?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>                            |
| (c) Are there any governmental allotments committed?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/>                            |



	<b>YES</b>	<b>NO</b>	<b>UNKNOWN</b>
(d) Have any licenses or usage permits been granted for but not limited to, crops, mineral, water, grazing, timber, usage rights to hunters, fishermen, or others?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

(e) Crop Rotation Program (CRP)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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**4. COVENANTS, FEES AND ASSESSMENTS:**

(a) Is or will the Property be part of a condominium or other community association?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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(b) Is there any defect, damage or problem with any common elements/area that could affect the value or desirability?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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(c) Is or will it be subject to covenants, conditions and restrictions (CC & R's)?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(d) Is there an Association Fee? If "YES" what amount \$ _____, per _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(e) Is or will the Association Fee be mandatory?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(f) Is there an Initiation Fee? If "YES" what amount \$ _____	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
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(g) Are there any special assessments approved but unpaid by the association?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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(h) Are there any special association assessments under consideration?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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(i) Is there any condition or claim, which may result in an increase in assessments or fees?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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(j) Does or will the Association Fee include: (The unchecked items are not included or unknown.)			
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<input type="checkbox"/> Exterior Building Maintenance	<input type="checkbox"/> Reserve Fund	<input type="checkbox"/> Gas	<input type="checkbox"/> Cable
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<input type="checkbox"/> Exterior Liability	<input type="checkbox"/> Road Maintenance	<input type="checkbox"/> Electricity	<input type="checkbox"/> Swim
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<input type="checkbox"/> Common Grounds Maintenance	<input type="checkbox"/> Security	<input type="checkbox"/> Water	<input type="checkbox"/> Tennis
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<input type="checkbox"/> Pest and Termite Control	<input type="checkbox"/> Garbage	<input type="checkbox"/> Sewer	<input type="checkbox"/> Other _____
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**5. OTHER MATTERS:**

(a) Do you know of any violations of local, state or federal laws, code, regulations, or nonconforming use with respects to the Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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(b) Have you received notice by governmental or quasi-governmental agency affecting the Property including but not limited to road changes, zoning changes, assessments, etc.?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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(c) Is there any existing or threatened legal action affecting the Property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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(d) Is there any system or appliance on the Property which is leased or has a fee associated with its use?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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(e) Are there any private or nondedicated roadways for which owner may have financial responsibility?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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(f) Have there been any inspections or evaluations on the Property during the previous year?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
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	<b>YES</b>	<b>NO</b>
	(Seller Initials)	(Seller Initials)
6. UTILITIES:		
(A) Electricity	_____ JG	_____
(B) Natural Gas	_____ JG	_____
(C) Telephone	_____ JG	_____
(D) Cable Television	_____ JG	_____
(E) Garbage Collection	_____	_____
(F) Public Sewer	_____	_____ JG
(G) Public Water	_____ JG	_____
(H) Other _____	_____	_____

**7. ADDITIONAL EXPLANATION OR DISCLOSURES:**  
**Utilities are all available at Dunbar Rd. Additional 6" water line runs parallel to Stone Burks Rd**

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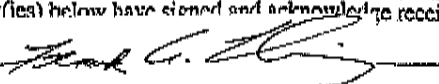
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**8. SELLER'S REPRESENTATION**

In this disclosure, Seller warrants that to the best of Seller's knowledge and belief, the information contained herein with respect to the condition of the Property is accurate and complete as of the date signed by Seller. It is not a substitute for any inspections or warranties that Buyer may wish to obtain. Seller hereby authorizes Broker to provide this information to prospective buyers of the Property and to Brokers. Seller agrees to promptly update this Lot/Land Disclosure Statement and provide any Buyer and Brokers with a revised copy of the same if there are any material changes in the answers to the questions contained herein.

The party(ies) below have signed and acknowledge receipt of a copy.

	
SELLER	SELLER
DATE 12/04/2008 at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	DATE _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm

**9. RECEIPT AND ACKNOWLEDGMENT OF BUYER:**

I acknowledge receipt of this Seller's Lot/Land Property Disclosure Statement. I understand that except as stated in the Lot/Land Purchase and Sale Agreement with Seller, the Property is being sold in its present condition only, without warranties or guarantees of any kind by Seller or Brokers. No representations concerning the condition of the Property are being relied upon by me except as disclosed herein or stated in the Lot/Land Purchase and Sale Agreement.

The party(ies) below have signed and acknowledge receipt of a copy.

BUYER	BUYER
DATE _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm	DATE _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm

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