

# No. 1 Quality Realty

## TENNESSEE RESIDENTIAL PROPERTY CONDITION EXEMPTION

1 Property Address: 11508 Clay Co Hwy Moss TN 38568  
 2 Seller: James White JR & Mike McClain  
 3 The Tennessee Residential Property Disclosure Act requires sellers of residential real property with one to four dwelling units  
 4 to furnish to a buyer one of the following: (1) a residential property disclosure statement (the "Disclosure"), or (2) a residential  
 5 property disclaimer statement (permitted only where the buyer waives the required Disclosure). Some property transfers may  
 6 be exempt from this requirement (See Tenn. Code Ann. § 66-5-209). The following is a summary of the buyers' and sellers'  
 7 rights and obligations under the Act. A complete copy of the Act may be found at Tenn. Code Ann. § 66-5-201, et seq.  
 8 1. Sellers must disclose all known material defects, and must answer the questions on the Disclosure form in good faith to  
 9 the best of the seller's knowledge as of the Disclosure date.  
 10 2. Sellers must give the buyers the Disclosure form before the acceptance of a purchase contract.  
 11 3. Sellers must inform the buyers, at or before closing, of any inaccuracies or material changes in the condition that have  
 12 occurred since the time of the initial Disclosure, or certify that there are no changes.  
 13 4. Sellers may give the buyers a report or opinion prepared by a professional inspector or other expert(s), or certain  
 14 information provided by a public agency, in lieu of responding to some or all of the questions on the form (See Tenn. Code  
 15 Ann. § 66-5-204).  
 16 5. Sellers are not required to have a home inspection or other investigation in order to complete the Disclosure form.  
 17 6. Sellers are not required to repair any items listed on the Disclosure form or on any past or future inspection report unless  
 18 agreed to in the purchase contract.  
 19 7. Sellers involved in the first sale of a dwelling must disclose the amount of any impact fees or adequate facility taxes paid.  
 20 8. Sellers are not required to disclose if any occupant was HIV-positive, or had any other disease not likely to be transmitted  
 21 by occupying a home, or whether the home had been the site of a homicide, suicide or felony, or act or occurrence which  
 22 had no effect on the physical structure of the property.  
 23 9. Sellers may provide an "as is", "no representations or warranties" disclaimer statement in lieu of the Disclosure form only  
 24 if the buyer waives the right to the required disclosure, otherwise the sellers must provide the completed Disclosure form  
 25 (See Tenn. Code Ann. § 66-5-202).  
 26 10. Sellers may be exempt from having to complete the Disclosure form in certain limited circumstances (e.g. public auctions,  
 27 court orders, some foreclosures and bankruptcies, new construction with written warranty, or owner has not resided on the  
 28 property at any time within the prior 3 years). (See Tenn. Code Ann. § 66-5-209).  
 29 11. Buyers are advised to include home, wood infestation, well, water sources, septic system, lead-based paint, radon, mold,  
 30 and other appropriate inspection contingencies in the contract, as the Disclosure form is not a warranty of any kind by the  
 31 seller, and is not a substitute for any warranties or inspections the buyer may desire to purchase.  
 32 12. Any repair of disclosed defects must be negotiated and addressed in the Purchase and Sale Agreement; otherwise, seller is  
 33 not required to repair any such items.  
 34 13. Buyers may, but do not have to, waive their right to receive the Disclosure form from the sellers if the sellers provide a  
 35 disclaimer statement with no representations or warranties. (See Tenn. Code Ann. § 66-5-202).  
 36 14. Remedies for misrepresentations or nondisclosure in a Property Condition Disclosure statement may be available to buyer  
 37 and are set out fully in Tenn. Code Ann. § 66-5-208. Buyer should consult with an attorney regarding any such matters.  
 38 15. Representations in the Disclosure form are those of the sellers only, and not of any real estate licensee, although licensees  
 39 are required to disclose to all parties adverse facts of which the licensee has actual knowledge or notice.  
 40 16. Pursuant to Tenn. Code Ann. § 47-18-104(b), sellers of newly constructed residences on a septic system are prohibited  
 41 from knowingly advertising or marketing a home as having more bedrooms than are permitted by the subsurface sewage  
 42 disposal system permit.  
 43 17. Sellers must disclose the presence of any known exterior injection well, the presence of any known sinkhole(s), the results  
 44 of any known percolation test or soil absorption rate performed on the property that is determined or accepted by the

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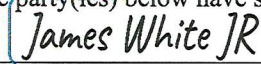


# NEW ROOF INSTALLED IN JUNE 2024.

|     | ARE YOU (SELLER) AWARE OF ANY OF THE FOLLOWING:                                    | YES                                 | NO                                  | UNKNOWN                  |
|-----|------------------------------------------------------------------------------------|-------------------------------------|-------------------------------------|--------------------------|
| 98  | 1. Is there an exterior injection well anywhere on the property?                   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 99  | 2. Is seller aware of any percolation tests or soil absorption rates being         | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 100 | performed on the property that are determined or accepted by                       |                                     |                                     |                          |
| 101 | the Tennessee Department of Environment and Conservation?                          |                                     |                                     |                          |
| 102 | If yes, results of test(s) and/or rate(s) are attached.                            |                                     |                                     |                          |
| 103 | 3. Has any residence on this property ever been moved from its original            | <input checked="" type="checkbox"/> | <input type="checkbox"/>            | <input type="checkbox"/> |
| 104 | foundation to another foundation?                                                  |                                     |                                     |                          |
| 105 | 4. Is this property in a Planned Unit Development? Planned Unit Development        | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |                          |
| 106 | is defined pursuant to Tenn. Code Ann. § 66-5-213 as "an area of land,             |                                     |                                     |                          |
| 107 | controlled by one (1) or more landowners, to be developed under unified control    |                                     |                                     |                          |
| 108 | or unified plan of development for a number of dwelling units, commercial,         |                                     |                                     |                          |
| 109 | educational, recreational or industrial uses, or any combination of the            |                                     |                                     |                          |
| 110 | foregoing, the plan for which does not correspond in lot size, bulk or type of     |                                     |                                     |                          |
| 111 | use, density, lot coverage, open space, or other restrictions to the existing land |                                     |                                     |                          |
| 112 | use regulations." Unknown is not a permissible answer under the statute.           |                                     |                                     |                          |
| 113 | 5. Is a sinkhole present on the property? A sinkhole is defined pursuant to Tenn.  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| 114 | Code Ann. § 66-5-212(c) as "a subterranean void created by the dissolution of      |                                     |                                     |                          |
| 115 | limestone or dolostone strata resulting from groundwater erosion, causing a        |                                     |                                     |                          |
| 116 | surface subsidence of soil, sediment, or rock and is indicated through the         |                                     |                                     |                          |
| 117 | contour lines on the property's recorded plat map." This disclosure is required    |                                     |                                     |                          |
| 118 | regardless of whether the sinkhole is indicated through the contour lines on the   |                                     |                                     |                          |
| 119 | property's recorded plat map.                                                      |                                     |                                     |                          |
| 120 | 6. Was a permit for a subsurface sewage disposal system for the Property issued    | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |                          |
| 121 | during a sewer moratorium pursuant to Tenn. Code Ann. § 68-221-409? If             |                                     |                                     |                          |
| 122 | yes, Buyer may have a future obligation to connect to the public sewer system.     |                                     |                                     |                          |
| 123 |                                                                                    |                                     |                                     |                          |

Buyer is advised that no representation or warranties, express or implied, as to the condition of the property and its improvements, are being offered by Seller except in the case where transfer involves the first sale of a dwelling in which builder offers a written warranty and those required by Seller pursuant to Tenn. Code Ann. §§ 66-5-212 and 66-5-213. Furthermore, the Buyer should make or have made on the Buyer's behalf a thorough and diligent inspection of the property.

If the property being purchased is a condominium, the transferee/buyer is hereby given notice that the transferee/buyer is entitled, upon request, to receive certain information regarding the administration of the condominium from the developer or the condominium association, as applicable, pursuant to Tennessee Code Annotated § 66-27-502.

|     |                                                                                      |                                                                                      |
|-----|--------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| 131 | The party(ies) below have signed and acknowledge receipt of a copy.                  |                                                                                      |
| 132 |   |  |
| 133 | SELLER James White JR                                                                | SELLER Mike McClain                                                                  |
| 134 | 07/30/24 at 7:41 AM o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm | 07/30/24 at 7:42 AM o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm |
| 135 | Date                                                                                 | Date                                                                                 |

|     |                                                                                 |                                                                                 |
|-----|---------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| 136 | The party(ies) below have signed and acknowledge receipt of a copy.             |                                                                                 |
| 137 | _____                                                                           | _____                                                                           |
| 138 | BUYER                                                                           | BUYER                                                                           |
| 139 | _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm | _____ at _____ o'clock <input type="checkbox"/> am/ <input type="checkbox"/> pm |
| 140 | Date                                                                            | Date                                                                            |

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