



TENNESSEE RESIDENTIAL PROPERTY CONDITION EXEMPTION

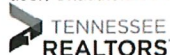
1 Property Address: 3243 Leawood Drive, Nashville, TN 37218

2 Seller: Padre Pio Properties LLC C/O Tsung Wen Chen

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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45 Department of Environment and Conservation, and whether the property is located within a Planned Unit Development as
46 defined by Tenn. Code Ann. § 66-5-213 and, if requested, provide buyers with a copy of the development’s restrictive
47 covenants, homeowner bylaws and master deed. Sellers must also disclose if they have knowledge that the residence has
48 ever been moved from an existing foundation to another foundation.

49 The Buyers and Sellers involved in the current or prospective real estate transaction for the property listed above acknowledge
50 that they were informed of their rights and obligations regarding Residential Property Disclosures, and that this information
51 was provided by the real estate licensee(s) prior to the completion or reviewing of a Tennessee Residential Property Condition
52 Disclosure, a Tennessee Residential Property Condition Disclaimer Statement, or a Tennessee Residential Property Condition
53 Exemption. Buyers and Sellers also acknowledge that they were advised to seek the advice of an attorney on any legal questions
54 they may have regarding this information or prior to taking any legal actions.

55 The Tennessee Residential Property Disclosure Act states that anyone transferring title to residential real property must provide
56 information about the condition of the property. This completed form constitutes that disclosure by the Seller. The information
57 contained in the disclosure is the representation of the owner and not the representation of the real estate licensee or sales
58 person, if any. This is not a warranty or a substitute for any professional inspections or warranties that the purchasers may
59 wish to obtain.

60 **Buyers and Sellers should be aware that any sales agreement executed between the parties shall supersede this form as**
61 **to the terms of sale, property included in the sale and any obligations on the part of the seller to repair items identified**
62 **below and/or the obligation of the buyer to accept such items “as is.”**

63 The undersigned Seller of the property described as 3243 Leawood Drive, Nashville, TN 37218 _____ does
64 hereby notify Buyer that said property is being offered without a Residential Property Condition Disclosure Statement as
65 provided by the Tennessee Residential Property Disclosure Act. This transfer is excluded under Tenn. Code Ann. § 66-5-209
66 for the following reason(s):

- 67 This is a transfer pursuant to court order including, but not limited to, transfers ordered by a court in the administration
68 of an estate, transfers pursuant to a writ of execution, transfers by foreclosure sale, transfers by a trustee in a
69 bankruptcy, transfers by eminent domain and transfers resulting from a decree of specific performance.
- 70 This is a transfer to a beneficiary of a deed of trust by a trustor or successor in interest who is in default; transfers by
71 a trustee under a deed of trust pursuant to a foreclosure sale, or transfers by a beneficiary under a deed of trust who
72 has acquired the real property at a sale conducted pursuant to a foreclosure sale under a deed of trust or has acquired
73 the real property by a deed in lieu of foreclosure.
- 74 This is a transfer by a fiduciary in the course of the administration of a decedent’s estate, guardianship, conservatorship
75 or trust.
- 76 This is a transfer from one (1) or more co-owners solely to one (1) or more co-owners. This provision is intended to
77 apply and only does apply in situations where ownership is by a tenancy by the entirety, a joint tenancy or a tenancy
78 in common and the transfer shall be made from one (1) or more of the owners to another owner or co-owners holding
79 property either as a joint tenancy, tenancy in common or tenancy by the entirety.
- 80 This is a transfer made by virtue of the record owner’s failure to pay federal, state or local taxes.
- 81 This is a transfer between spouses resulting from a decree of divorce or a property settlement stipulation.
- 82 This is a transfer made solely to any combination of a spouse or a person or persons in the lineal line of consanguinity
83 of one (1) or more of the transferors.
- 84 This is a transfer to or from any governmental entity of public or quasi-public housing authority or agency.
- 85 This is a transfer involving the first sale of a dwelling provided that the builder offers a written warranty.
- 86 This is a transfer of any property sold at public auction.
- 87 This is a transfer of any property where the owner has not resided on the property at any time within three (3) years
88 prior to the date of transfer.
- 89 This is a transfer from a debtor in a chapter 7 or a chapter 13 bankruptcy to a creditor or third party by a deed in lieu
90 of foreclosure or by a quitclaim deed.

91 Pursuant to Tenn. Code Ann. § 66-5-212, Sellers are required to disclose, in writing, the presence of any known exterior
92 injection well on the Property, whether the Sellers have knowledge that any single family residence on the Property has ever
93 been moved from an existing foundation to another foundation, whether the Sellers have knowledge of any percolation tests or
94 soil absorption rates performed on the Property that are determined or accepted by the Tennessee Department of Environment
95 and Conservation and the results of said tests and/or rates, and the presence of any known sinkholes. Sellers, pursuant to Tenn.
96 Code Ann. § 66-5-213, are also required to disclose in writing if the Property is located in a Planned Unit Development and
97 upon request, provide buyers with a copy of the development’s restrictive covenants, homeowner bylaws and master deed.

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

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

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

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

130  

131 **SELLER** **SELLER**

132 _____ at _____ o'clock am/ pm _____ at _____ o'clock am/ pm

133 **Date** **Date**

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

135

136 **BUYER** **BUYER**

137 _____ at _____ o'clock am/ pm _____ at _____ o'clock am/ pm

138 **Date** **Date**

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