## SUBSTITUTE FOR SENATE BILL NO. 135

A bill to amend 1993 PA 92, entitled "Seller disclosure act,"

by amending section 7 (MCL 565.957), as amended by 2000 PA 13.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 7. (1) The disclosures required by this act shall be
- 2 made on the following form:
- 3 SELLER'S DISCLOSURE STATEMENT

## 4 Property Address: Street City, Village, or Township

- 8 Purpose of Statement: This statement is a disclosure of the
- 9 condition of the property in compliance with the seller
- 10 disclosure act. This statement is a disclosure of the condition
- 11 and information concerning the property, known by the seller.

- 1 Unless otherwise advised, the seller does not possess any
- 2 expertise in construction, architecture, engineering, or any
- 3 other specific area related to the construction or condition of
- 4 the improvements on the property or the land. Also, unless
- 5 otherwise advised, the seller has not conducted any inspection of
- 6 generally inaccessible areas such as the foundation or roof.
- 7 This statement is not a warranty of any kind by the seller or by
- 8 any agent representing the seller in this transaction, and is not
- 9 a substitute for any inspections or warranties the buyer may wish
- 10 to obtain.
- 11 Seller's Disclosure: The seller discloses the following
- 12 information with the knowledge that even though this is not a
- 13 warranty, the seller specifically makes the following
- 14 representations based on the seller's knowledge at the signing of
- 15 this document. Upon receiving this statement from the seller,
- 16 the seller's agent is required to provide a copy to the buyer or
- 17 the agent of the buyer. The seller authorizes its agent(s) to
- 18 provide a copy of this statement to any prospective buyer in
- 19 connection with any actual or anticipated sale of property. The
- 20 following are representations made solely by the seller and are
- 21 not the representations of the seller's agent(s), if any. This
- 22 information is a disclosure only and is not intended to be a part
- 23 of any contract between buyer and seller.
- 24 Instructions to the Se<u>ller:</u> (1) Answer ALL questions. (2) Report
- 25 known conditions affecting the property. (3) Attach additional
- 26 pages with your signature if additional space is required. (4)
- 27 Complete this form yourself. (5) If some items do not apply to

- 1 your property, check NOT AVAILABLE. If you do not know the
- 2 facts, check UNKNOWN. FAILURE TO PROVIDE A PURCHASER WITH A
- 3 SIGNED DISCLOSURE STATEMENT WILL ENABLE A PURCHASER TO TERMINATE
- 4 AN OTHERWISE BINDING PURCHASE AGREEMENT.
- 5 Appliances/Systems/Services: The items below are in working order
- 6 (the items below are included in the sale of the property only if
- 7 the purchase agreement so provides):

| 8  |                                     | Yes | No | Unknown | Not    |
|----|-------------------------------------|-----|----|---------|--------|
| 9  |                                     |     |    |         | Avail- |
| 10 |                                     |     |    |         | able   |
| 11 | Range/Oven                          |     |    |         |        |
| 12 | Dishwasher                          |     |    |         |        |
| 13 | Refrigerator                        |     |    |         |        |
| 14 | Hood/fan                            |     |    |         |        |
| 15 | Disposal                            |     |    |         |        |
| 16 | TV antenna, TV rotor & controls     |     |    |         |        |
| 17 | Electrical system                   |     |    |         |        |
| 18 | Garage door opener & remote control |     |    |         |        |

| 1  | Alarm system                        | <br> | <br> |
|----|-------------------------------------|------|------|
| 2  | Intercom                            | <br> | <br> |
| 3  | Central vacuum                      | <br> | <br> |
| 4  | Attic fan                           | <br> | <br> |
| 5  | Pool heater, wall liner & equipment | <br> | <br> |
| 6  | Microwave                           | <br> | <br> |
| 7  | Trash compactor                     | <br> | <br> |
| 8  | Ceiling fan                         | <br> | <br> |
| 9  | Sauna/hot tub                       | <br> | <br> |
| L0 | Washer                              | <br> | <br> |
| L1 | Dryer                               | <br> | <br> |
| L2 | Lawn sprinkler system               | <br> | <br> |
| L3 | Water heater                        | <br> | <br> |
| L4 | Plumbing system                     |      |      |

| 1  | Water softener/conditioner            |        |          |      |  |
|----|---------------------------------------|--------|----------|------|--|
| 2  | Well & pump                           |        |          |      |  |
| 3  | Septic tank & drain field             |        |          |      |  |
| 4  | Sump pump                             |        |          |      |  |
| 5  | City Water System                     |        |          |      |  |
| 6  | City Sewer System                     |        |          |      |  |
| 7  | Central air conditioning              |        |          |      |  |
| 8  | Central heating system                |        |          |      |  |
| 9  | Wall furnace                          |        |          |      |  |
| 10 | Humidifier                            |        |          |      |  |
| 11 | Electronic air filter                 |        |          |      |  |
| 12 | Solar heating system                  |        |          |      |  |
| 13 | Fireplace & chimney                   |        |          |      |  |
| 14 | Wood burning system                   |        |          |      |  |
| 15 | Explanations (attach additional sheet | s if n | lecessar | ·y): |  |

| 1  | ·   |
|----|---|
| 2  |   |
| 3  |   |
| 4  |   |
| 5  |   |
| 6  | UNLESS OTHERWISE AGREED, ALL HOUSEHOLD APPLIANCES ARE SOLD IN   |
| 7  | WORKING ORDER EXCEPT AS NOTED, WITHOUT WARRANTY BEYOND DATE OF  |
| 8  | CLOSING.  |
| 9  | Property conditions, improvements & additional information:     |
| 10 | 1. Basement/crawl space: Has there been evidence of water?      |
| 11 | yes no  |
| 12 | If yes, please explain:   |
| 13 | 2. Insulation: Describe, if known                               |
| 14 | Urea Formaldehyde Foam Insulation (UFFI) is installed?          |
| 15 | unknown yes no  |
|    |   |
| 16 | 3. Roof: Leaks? yes _ no  |
|    | <u>yeb _ no _ </u>  |
| 17 | Approximate age if known  |
| Ι, | Approximace age ir known  |
| 18 | 4. Well: Type of well (depth/diameter, age, and repair history, |
| 19 | if known):  |
| 19 | II RHOWH):  |
| 20 | Has the water been tested? yes no                               |
|    |   |
| 21 | If yes, date of last report/results:                            |
|    |   |
| 22 | 5. Septic tanks/drain fields: Condition if known:               |

| 1  |   |  |  |
|----|---|--|--|
|    |   |  |  |
| 2  | 6. Heating System: Type/approximate age:                      |  |  |
|    |   |  |  |
| 3  | 7. Plumbing system: Type: copper_ galvanized_ other_          |  |  |
| 4  | Any known problems?   |  |  |
|    |   |  |  |
| 5  | 8. Electrical system: Any known problems?                     |  |  |
|    |   |  |  |
| 6  |   |  |  |
|    |   |  |  |
| 7  | 9. History of infestation, if any: (termites, carpenter ants, |  |  |
|    | etc.)   |  |  |
| 8  | ecc.)   |  |  |
|    |   |  |  |
| 9  | 10. Environmental Problems: Are you aware of any substances,  |  |  |
| 10 | materials, or products that may be an environmental hazard    |  |  |
| 11 | such as, but not limited to, asbestos, radon gas,             |  |  |
| 12 | formaldehyde, lead-based paint, fuel or chemical storage      |  |  |
| 13 | tanks and contaminated soil on the property.                  |  |  |
| 14 | unknown yes no  |  |  |
| 15 | If yes, please explain:                                       |  |  |
|    |   |  |  |
| 16 |   |  |  |
| _• |   |  |  |

17  $\underline{11.}$  Flood insurance: Do you have flood insurance on the

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| 1  | property?  |  |  |  |
|----|--|--|--|--|
| 2  | unknown yes no   |  |  |  |
| 3  | 12. Mineral rights: Do you own the mineral rights?                                       |  |  |  |
| 4  | unknown yes no   |  |  |  |
| 5  | Other Items: Are you aware of any of the following:                                      |  |  |  |
| 6  | 1. Features of the property shared in common with the adjoining                          |  |  |  |
| 7  | landowners, such as walls, fences, roads and driveways, or other                         |  |  |  |
| 8  |  |  |  |  |
| 9  | features whose use or responsibility for maintenance may have an effect on the property? |  |  |  |
| 10 | unknown yes no   |  |  |  |
|    |  |  |  |  |
| 11 | 2. Any encroachments, easements, zoning violations, or                                   |  |  |  |
| 12 | nonconforming uses?  |  |  |  |
| 13 | unknown yes no   |  |  |  |
| 14 | 3. Any "common areas" (facilities like pools, tennis courts,                             |  |  |  |
| 15 | walkways, or other areas co-owned with others), or a homeowners'                         |  |  |  |
| 16 | association that has any authority over the property?                                    |  |  |  |
| 17 | unknown yes no   |  |  |  |
| 18 | 4. Structural modifications, alterations, or repairs made                                |  |  |  |
| 19 | without necessary permits or licensed contractors?                                       |  |  |  |
| 20 | unknown yes no   |  |  |  |
| 21 | 5. Settling, flooding, drainage, structural, or grading                                  |  |  |  |
| 22 | problems?  |  |  |  |
| 23 | unknown yes no   |  |  |  |
| 24 | 6. Major damage to the property from fire, wind, floods, or                              |  |  |  |
| 25 | landslides?  |  |  |  |
| 26 | unknown yes no   |  |  |  |
| 27 | 7. Any underground storage tanks?  |  |  |  |

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| 1          | unknown yes no  |
|------------|---|
| 2          | 8. Farm or farm operation in the vicinity; or proximity to a      |
| 3          | landfill, airport, shooting range, etc.?                          |
| 4          | unknown yes no  |
| 5          | 9. Any outstanding utility assessments or fees, including any     |
| 6          | natural gas main extension surcharge?                             |
| 7          | unknown yes no  |
| 8          | 10. Any outstanding municipal assessments or fees?                |
| 9          | unknown yes no  |
| LO         | 11. Any pending litigation that could affect the property or the  |
| L1         | seller's right to convey the property?                            |
| L2         | unknown yes no  |
| L3         | If the answer to any of these questions is yes, please explain.   |
| L <b>4</b> | Attach additional sheets, if necessary:                           |
| L5         |   |
| L6         |   |
| L7         |   |
| L8         |   |
| L9         | The seller has lived in the residence on the property from        |
| 20         | (date) to (date). The seller has owned                            |
| 21         | the property since (date). The seller has indicated               |
| 22         | above the condition of all the items based on information known   |
| 23         | to the seller. If any changes occur in the                        |
| 24         | structural/mechanical/appliance systems of this property from the |
| 25         | date of this form to the date of closing, seller will immediately |
| 26         | disclose the changes to buyer. In no event shall the parties      |
| 27         | hold the broker liable for any representations not directly made  |

- 1 by the broker or broker's agent.
- 2 Seller certifies that the information in this statement is true
- 3 and correct to the best of seller's knowledge as of the date of
- 4 seller's signature.
- 5 BUYER SHOULD OBTAIN PROFESSIONAL
- 6 ADVICE AND INSPECTIONS OF THE
- 7 PROPERTY TO MORE FULLY DETERMINE THE
- 8 CONDITION OF THE PROPERTY.
- 9 BUYERS ARE ADVISED THAT CERTAIN
- 10 INFORMATION COMPILED PURSUANT TO THE
- 11 SEX OFFENDERS REGISTRATION ACT, 1994
- 12 PA 295, MCL 28.721 TO 28.732, IS
- 13 AVAILABLE TO THE PUBLIC. BUYERS
- 14 SEEKING THAT INFORMATION SHOULD
- 15 CONTACT THE APPROPRIATE LOCAL LAW
- 16 ENFORCEMENT AGENCY OR SHERIFF'S
- 17 DEPARTMENT DIRECTLY.
- 18 BUYER IS ADVISED THAT THE STATE
- 19 EQUALIZED VALUE OF THE PROPERTY,
- 20 HOMESTEAD PRINCIPAL RESIDENCE
- 21 EXEMPTION INFORMATION, AND OTHER
- 22 REAL PROPERTY TAX INFORMATION IS
- 23 AVAILABLE FROM THE APPROPRIATE LOCAL
- 24 ASSESSOR'S OFFICE. BUYER SHOULD NOT
- 25 ASSUME THAT BUYER'S FUTURE TAX BILLS

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| 1  | ON THE PROPERTY WILL BE THE SAME AS                             |  |  |
|----|---|--|--|
| 2  | THE SELLER'S PRESENT TAX BILLS.                                 |  |  |
| 3  | UNDER MICHIGAN LAW, REAL PROPERTY                               |  |  |
| 4  | TAX OBLIGATIONS CAN CHANGE                                      |  |  |
| 5  | SIGNIFICANTLY WHEN PROPERTY IS                                  |  |  |
| 6  | TRANSFERRED.  |  |  |
|    |   |  |  |
| 7  | SellerDate  |  |  |
|    |   |  |  |
| 8  | SellerDate  |  |  |
| 9  | Buyer has read and acknowledges receipt of this statement.      |  |  |
|    |   |  |  |
| 10 | Buyer   |  |  |
|    |   |  |  |
| 11 | BuyerDateTime:  |  |  |
| 12 | (2) A form described in subsection (1) printed before -the      |  |  |
| 13 | effective date of the 2000 amendatory act that amended this     |  |  |
| 14 | subsection March 8, 2000 that was in compliance with this       |  |  |
| 15 | section at that time may be utilized and shall be considered in |  |  |
| 16 | compliance with this section until -90 days after the effective |  |  |
| 17 | date of the 2000 amendatory act that amended this subsection    |  |  |
| 18 | June 6, 2000.   |  |  |
| 19 | Enacting section 1. This amendatory act takes effect            |  |  |
| 20 | January 1, 2004.  |  |  |
| 21 | Enacting section 2. This amendatory act does not take           |  |  |
| 22 | effect unless Senate Bill No. 133 of the 92nd Legislature is    |  |  |
| 23 | enacted into law.   |  |  |