## **SENATE BILL No. 1489**

November 9, 2006, Introduced by Senator GILBERT and referred to the Committee on Economic Development, Small Business and Regulatory Reform.

"Seller disclosure act,"

by amending section 7 (MCL 565.957), as amended by 2005 PA 163.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. (1) The disclosures required by this act shall be made on the following form:

3 SELLER'S DISCLOSURE STATEMENT

4 Property Address:
5 Street
6 City, Village, or Township

8 Purpose of Statement: This statement is a disclosure of the condition of the property in compliance with the seller

A bill to amend 1993 PA 92, entitled

- 1 disclosure act. This statement is a disclosure of the condition
- 2 and information concerning the property, known by the seller.
- 3 Unless otherwise advised, the seller does not possess any
- 4 expertise in construction, architecture, engineering, or any
- 5 other specific area related to the construction or condition of
- 6 the improvements on the property or the land. Also, unless
- 7 otherwise advised, the seller has not conducted any inspection of
- 8 generally inaccessible areas such as the foundation or roof. This
- 9 statement is not a warranty of any kind by the seller or by any
- 10 agent representing the seller in this transaction, and is not a
- 11 substitute for any inspections or warranties the buyer may wish
- 12 to obtain.
- Seller's Disclosure: The seller discloses the following
- 14 information with the knowledge that even though this is not a
- 15 warranty, the seller specifically makes the following
- 16 representations based on the seller's knowledge at the signing of
- 17 this document. Upon receiving this statement from the seller, the
- 18 seller's agent is required to provide a copy to the buyer or the
- 19 agent of the buyer. The seller authorizes its agent(s) to provide
- 20 a copy of this statement to any prospective buyer in connection
- 21 with any actual or anticipated sale of property. The following
- 22 are representations made solely by the seller and are not the
- 23 representations of the seller's agent(s), if any. THIS
- 24 INFORMATION IS A DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART
- 25 OF ANY CONTRACT BETWEEN BUYER AND SELLER.
- 26 Instructions to the Seller: (1) Answer ALL questions. (2)
- 27 Report known conditions affecting the property. (3) Attach

- 1 additional pages with your signature if additional space is
- 2 required. (4) Complete this form yourself. (5) If some items do
- 3 not apply to your property, check NOT AVAILABLE. If you do not
- 4 know the facts, check UNKNOWN. FAILURE TO PROVIDE A PURCHASER
- 5 WITH A SIGNED DISCLOSURE STATEMENT WILL ENABLE A PURCHASER TO
- 6 TERMINATE AN OTHERWISE BINDING PURCHASE AGREEMENT.
- 7 Appliances/Systems/Services: The items below are in working order
- 8 (the items below are included in the sale of the property only if
- 9 the purchase agreement so provides):

10					Not
11		Yes	No	Unknown	Available
12	Range/Oven				
13	Dishwasher				
14	Refrigerator				
15	Hood/fan				
16	Disposal				
17	TV antenna, TV rotor				
18	& controls				
19	Electrical system				
20	Garage door opener &				
21	remote control				
22	Alarm system				
23	Intercom				
24	Central vacuum				
25	Attic fan				
26	Pool heater, wall				
27	liner & equipment				

1	Microwave	 		
2	Trash compactor	 		
3	Ceiling fan	 		
4	Sauna/hot tub	 <del></del>		
5	Washer	 		
6	Dryer	 		
7	Lawn sprinkler system	 		
8	Water heater	 		
9	Plumbing system	 		
10	Water			
11	softener/conditioner	 		
12	Well & pump	 		
13	Septic tank & drain			
14	field	 		
15	Sump pump	 		
16	City Water System	 		
17	City Sewer System	 		
18	Central air			
19	conditioning	 		
20	Central heating system	 		
21	Wall furnace	 		
22	Humidifier	 		
23	Electronic air filter	 		
24	Solar heating system	 		
25	Fireplace & chimney	 		
26	Wood burning system	 		
27	Explanations (attach addit	neets if n	ecessary):	
28		 		
29				

1					
2	-				
3					
4	UNLESS OTHERWISE AGREED, ALL HOUSEHOLD APPLIANCES ARE SOLD IN				
5	WOR	KING ORDER EXCEPT AS NOTED, WITHOUT WARRANTY BEYOND DATE OF			
6	CLO	SING.			
7	Pro	perty conditions, improvements & additional information:			
8	1.	Basement/crawl space: Has there been evidence of water?			
9		yes no			
0		If yes, please explain:			
1	2.	Insulation: Describe, if known			
2		Urea Formaldehyde Foam Insulation (UFFI) is installed?			
3		unknown yes no			
4	3.	Roof: Leaks? yes no			
5		Approximate age if known			
6	4.	Well: Type of well (depth/diameter, age, and repair history			
7		if known):			
8		Has the water been tested? yes no			
9		If yes, date of last report/results:			
0	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,			
8		etc.)			
	10	Environmental Problems: Are you aware of any substances			

1		materials, or products that may be an environmental hazard			
2		such as, but not limited to, asbestos, radon gas,			
3		formaldehyde, lead-based paint, fuel or chemical storage			
4		tanks and contaminated soil on the property.			
5			unknown	yes	no
6		If yes, please explain:			
7					
8	11.	Flood insurance: Do you have flood in	surance on	the	
9		property?	unknown	_yes	no
10	12.	Mineral rights: Do you own the mineral	l rights?		
11			unknown	yes	no
12	Oth	er Items: Are you aware of any of the	following:		
13	1.	Features of the property shared in con	mmon with t	he adjoi	ning
14		landowners, such as walls, fences, roa	ads and dri	veways,	or
15		other features whose use or responsibility for maintenance			
16		may have an effect on the property?			
17			unknown	yes	no
18	2.	Any encroachments, easements, zoning	violations,	or	
19		nonconforming uses?	unknown	yes	no
20	3.	Any "common areas" (facilities like pools, tennis courts,			
21		walkways, or other areas co-owned with others), or a			
22		homeowners' association that has any	authority o	ver the	
23		property?	unknown	yes	no
24	4.	Structural modifications, alterations	, or repair	s made	
25		without necessary permits or licensed contractors?			
26			unknown	yes	no
27	5.	Settling, flooding, drainage, structu	ral, or gra	ding	
28		problems?	unknown	yes	no
29	6.	Major damage to the property from fire	e, wind, fl	oods, o	r
30		landslides?	unknown	yes	no
31	7.	Any underground storage tanks?	unknown	yes	no

8 .	. Farm or farm operation in the vicinity; or proxi	LIII L O Y	
	to a landfill, airport, shooting range, etc.?		
	unknown	_ yes	no
9.	. Any outstanding utility assessments or fees, inc	cluding	
	any natural gas main extension surcharge?		
	unknown	_ yes	no
10.	. Any outstanding municipal assessments or fees?		
	unknown	_ yes	no
11.	. Any pending litigation that could affect the pro	operty	
	or the seller's right to convey the property?		
	unknown	_ yes	no
12.	. WAS THIS RESIDENCE BUILT WITHIN THE PAST 2 YEARS	BY AN	OWNER
	THAT WAS NOT A LICENSED RESIDENTIAL BUILDER OR M	<b>IAINTENA</b>	NCE
	AND ALTERATION CONTRACTOR AT THE TIME THE RESIDE	-NTCTP W7AC	DITTIM
	AND ADDERATION CONTRACTOR AT THE TIME THE REGIDE	SINCE WAS	BUILT.
	AND ADIBRATION CONTRACTOR AT THE TIME THE RESIDE	YES	
13.	. IF THE ANSWER TO QUESTION 12 IS YES, DID THE OWN	YES	NO
13.		YES NER-BUII	NO
13.	. IF THE ANSWER TO QUESTION 12 IS YES, DID THE OWN	YES NER-BUII	NO
13.	. IF THE ANSWER TO QUESTION 12 IS YES, DID THE OWN RESIDE IN THIS RESIDENCE AT LEAST 120 DAYS AFTER	YES NER-BUII	NO
	. IF THE ANSWER TO QUESTION 12 IS YES, DID THE OWN RESIDE IN THIS RESIDENCE AT LEAST 120 DAYS AFTER	YES NER-BUII R THE YES	NO DER NO
If	. IF THE ANSWER TO QUESTION 12 IS YES, DID THE OWN RESIDE IN THIS RESIDENCE AT LEAST 120 DAYS AFTER ISSUANCE OF THE OCCUPANCY PERMIT?	YES NER-BUII R THE YES ase expl	NO DER NO ain.
If	. IF THE ANSWER TO QUESTION 12 IS YES, DID THE OWN RESIDE IN THIS RESIDENCE AT LEAST 120 DAYS AFTER ISSUANCE OF THE OCCUPANCY PERMIT?  the answer to any of these questions is yes, plea	YES NER-BUII R THE YES ase expl	NO DER NO ain.
If	. IF THE ANSWER TO QUESTION 12 IS YES, DID THE OWN RESIDE IN THIS RESIDENCE AT LEAST 120 DAYS AFTER ISSUANCE OF THE OCCUPANCY PERMIT?  the answer to any of these questions is yes, plea	YES NER-BUII R THE YES ase expl	NO DER NO ain.
If	. IF THE ANSWER TO QUESTION 12 IS YES, DID THE OWN RESIDE IN THIS RESIDENCE AT LEAST 120 DAYS AFTER ISSUANCE OF THE OCCUPANCY PERMIT?  the answer to any of these questions is yes, plea	YES NER-BUII R THE YES ase expl	NO DER NO ain.
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If Att	. IF THE ANSWER TO QUESTION 12 IS YES, DID THE OWN RESIDE IN THIS RESIDENCE AT LEAST 120 DAYS AFTER ISSUANCE OF THE OCCUPANCY PERMIT?  the answer to any of these questions is yes, pleatach additional sheets, if necessary:	YES NER-BUII R THE YES ase expl	NO DER NO ain.
If Att	. IF THE ANSWER TO QUESTION 12 IS YES, DID THE OWN RESIDE IN THIS RESIDENCE AT LEAST 120 DAYS AFTER ISSUANCE OF THE OCCUPANCY PERMIT?  the answer to any of these questions is yes, pleatach additional sheets, if necessary:	YES NER-BUIL R THE YES ase expl	NO
If Att	. IF THE ANSWER TO QUESTION 12 IS YES, DID THE OWN RESIDE IN THIS RESIDENCE AT LEAST 120 DAYS AFTER ISSUANCE OF THE OCCUPANCY PERMIT?  the answer to any of these questions is yes, pleadach additional sheets, if necessary:  e seller has lived in the residence on the propert (date) to (date)	YESNER-BUIL R THE YES ase expl	NO DER NO ain.
If Att	. IF THE ANSWER TO QUESTION 12 IS YES, DID THE OWN RESIDE IN THIS RESIDENCE AT LEAST 120 DAYS AFTER ISSUANCE OF THE OCCUPANCY PERMIT?  the answer to any of these questions is yes, pleatach additional sheets, if necessary:	YESNER-BUIL R THE YES ase expl	NO

- 1 on information known to the seller. If any changes occur in the
- 2 structural/mechanical/appliance systems of this property from the
- 3 date of this form to the date of closing, seller will immediately
- 4 disclose the changes to buyer. In no event shall the parties hold
- 5 the broker liable for any representations not directly made by the
- 6 broker or broker's agent.
- 7 Seller certifies that the information in this statement is true
- 8 and correct to the best of seller's knowledge as of the date of
- 9 seller's signature.
- BUYER SHOULD OBTAIN PROFESSIONAL ADVICE AND INSPECTIONS

  OF THE PROPERTY TO MORE FULLY DETERMINE THE CONDITION

  OF THE PROPERTY. THESE INSPECTIONS SHOULD TAKE INDOOR

  AIR AND WATER QUALITY INTO ACCOUNT, AS WELL AS ANY

  EVIDENCE OF UNUSUALLY HIGH LEVELS OF POTENTIAL ALLERGENS

  INCLUDING, BUT NOT LIMITED TO, HOUSEHOLD MOLD, MILDEW AND

  BACTERIA.
- 17 BUYERS ARE ADVISED THAT CERTAIN INFORMATION COMPILED
- 18 PURSUANT TO THE SEX OFFENDERS REGISTRATION ACT,
- 19 1994 PA 295, MCL 28.721 TO 28.732, IS AVAILABLE TO
- 20 THE PUBLIC. BUYERS SEEKING THAT INFORMATION SHOULD
- 21 CONTACT THE APPROPRIATE LOCAL LAW ENFORCEMENT AGENCY
- OR SHERIFF'S DEPARTMENT DIRECTLY.
- 23 BUYER IS ADVISED THAT THE STATE EQUALIZED VALUE OF THE
- 24 PROPERTY, PRINCIPAL RESIDENCE EXEMPTION INFORMATION,
- 25 AND OTHER REAL PROPERTY TAX INFORMATION IS AVAILABLE
- 26 FROM THE APPROPRIATE LOCAL ASSESSOR'S OFFICE.
- 27 BUYER SHOULD NOT ASSUME THAT BUYER'S FUTURE TAX BILLS ON
- 28 THE PROPERTY WILL BE THE SAME AS THE SELLER'S PRESENT TAX
- 29 BILLS. UNDER MICHIGAN LAW, REAL PROPERTY TAX OBLIGATIONS

## 1 CAN CHANGE SIGNIFICANTLY WHEN PROPERTY IS TRANSFERRED.

2	2 Seller	Date		
3	3 Seller	Date		
4	4 Buyer has read and acknowledges rece	ipt of this statement.		
5	<b>5</b> Buyer Date	Time:		
6	<b>6</b> Buyer Date	Time:		
7 8	<ul><li>7 (2) A form described in subsect</li><li>8 January 1, 2006 that was in compliant</li></ul>	<del>-</del>		
9	9 time may be utilized and shall be co	onsidered in compliance with		
10	10 this section until April 1, 2006.			
11	11 Enacting section 1. This amenda	atory act does not take effect		
12	12 unless Senate Bill No. 1488	unless Senate Bill No. 1488		
13	of the 93rd Legislature is	enacted into law.		