

SENATE BILL No. 370

April 12, 2005, Introduced by Senators BROWN, HARDIMAN, GEORGE and BIRKHOLZ and referred to the Committee on Economic Development, Small Business and Regulatory Reform.

A bill to amend 1993 PA 92, entitled "Seller disclosure act," by amending section 7 (MCL 565.957), as amended by 2003 PA 130.

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:** _____
5 Street

6 _____ Michigan
7 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

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1 and information concerning the property, known by the seller.
2 Unless otherwise advised, the seller does not possess any
3 expertise in construction, architecture, engineering, or any
4 other specific area related to the construction or condition of
5 the improvements on the property or the land. Also, unless
6 otherwise advised, the seller has not conducted any inspection of
7 generally inaccessible areas such as the foundation or roof. This
8 statement is not a warranty of any kind by the seller or by any
9 agent representing the seller in this transaction, and is not a
10 substitute for any inspections or warranties the buyer may wish
11 to obtain.

12 **Seller's Disclosure:** The seller discloses the following
13 information with the knowledge that even though this is not a
14 warranty, the seller specifically makes the following
15 representations based on the seller's knowledge at the signing of
16 this document. Upon receiving this statement from the seller, the
17 seller's agent is required to provide a copy to the buyer or the
18 agent of the buyer. The seller authorizes its agent(s) to provide
19 a copy of this statement to any prospective buyer in connection
20 with any actual or anticipated sale of property. The following
21 are representations made solely by the seller and are not the
22 representations of the seller's agent(s), if any. <<THIS
23 INFORMATION IS A DISCLOSURE ONLY AND IS NOT INTENDED TO BE A PART
24 OF ANY CONTRACT BETWEEN BUYER AND SELLER.>>

25 **Instructions to the Seller:** (1) Answer ALL questions. (2)
26 Report known conditions affecting the property. (3) Attach
27 additional pages with your signature if additional space is

1 required. (4) Complete this form yourself. (5) If some items do
 2 not apply to your property, check NOT AVAILABLE. If you do not
 3 know the facts, check UNKNOWN. FAILURE TO PROVIDE A PURCHASER
 4 WITH A SIGNED DISCLOSURE STATEMENT WILL ENABLE A PURCHASER TO
 5 TERMINATE AN OTHERWISE BINDING PURCHASE AGREEMENT.

6 **Appliances/Systems/Services:** The items below are in working
 7 order (the items below are included in the sale of the property
 8 only if the purchase agreement so provides):

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

1	Washer	_____	_____	_____	_____
2	Dryer	_____	_____	_____	_____
3	Lawn sprinkler system	_____	_____	_____	_____
4	Water heater	_____	_____	_____	_____
5	Plumbing system	_____	_____	_____	_____
6	Water softener/conditioner	_____	_____	_____	_____
7	Well & pump	_____	_____	_____	_____
8	Septic tank & drain field	_____	_____	_____	_____
9	Sump pump	_____	_____	_____	_____
10	City Water System	_____	_____	_____	_____
11	City Sewer System	_____	_____	_____	_____
12	Central air conditioning	_____	_____	_____	_____
13	Central heating system	_____	_____	_____	_____
14	Wall furnace	_____	_____	_____	_____
15	Humidifier	_____	_____	_____	_____
16	Electronic air filter	_____	_____	_____	_____
17	Solar heating system	_____	_____	_____	_____
18	Fireplace & chimney	_____	_____	_____	_____
19	Wood burning system	_____	_____	_____	_____

20 Explanations (attach additional sheets if necessary):

21 _____

22 _____

23 _____

24 _____

25 _____

26 UNLESS OTHERWISE AGREED, ALL HOUSEHOLD APPLIANCES ARE SOLD IN
27 WORKING ORDER EXCEPT AS NOTED, WITHOUT WARRANTY BEYOND DATE OF

1 CLOSING.

2 **Property conditions, improvements & additional information:**

3 1. **Basement/crawl space:** Has there been evidence of water?

4 yes___ no___

5 If yes, please explain:_____

6 2. **Insulation:** Describe, if known_____

7 Urea Formaldehyde Foam Insulation (UFFI) is installed?

8 unknown___ yes___ no___

9 3. **Roof:** Leaks? yes___ no___

10 Approximate age if known _____

11 4. **Well:** Type of well (depth/diameter, age, and repair history, if known): _____

12 Has the water been tested? yes___ no___

13 If yes, date of last report/results: _____

14 5. **Septic tanks/drain fields:** Condition, if known: _____

15 _____

16 6. **Heating System:** Type/approximate age: _____

17 7. **Plumbing system:** Type: copper__ galvanized__ other__

18 Any known problems? _____

19 8. **Electrical system:** Any known problems? _____

20 _____

21 9. **History of infestation, if any:** (termites, carpenter ants, etc.) _____

22 10. **Environmental Problems:** Are you aware of any substances,
23 materials, or products that may be an environmental hazard
24 such as, but not limited to, asbestos, radon gas,
25 formaldehyde, lead-based paint, fuel or chemical storage
26 tanks and contaminated soil on the property.

27 unknown___ yes___ no___

28 If yes, please explain:_____

- 1 _____
- 2 **11. Flood insurance:** Do you have flood insurance on the
 3 property?
 4 unknown ___yes___no___
- 5 **12. Mineral rights:** Do you own the mineral rights?
 6 unknown ___yes___no___
- 7 **Other Items:** Are you aware of any of the following:
- 8 1. Features of the property shared in common with the adjoining
 9 landowners, such as walls, fences, roads and driveways, or
 10 other features whose use or responsibility for maintenance
 11 may have an effect on the property?
 12 unknown ___yes___no___
- 13 2. Any encroachments, easements, zoning violations, or
 14 nonconforming uses?
 15 unknown ___yes___no___
- 16 3. Any "common areas" (facilities like pools, tennis courts,
 17 walkways, or other areas co-owned with others), or a
 18 homeowners' association that has any authority over the
 19 property?
 20 unknown ___yes___no___
- 21 4. Structural modifications, alterations, or repairs made
 22 without necessary permits or licensed contractors?
 23 unknown ___yes___no___
- 24 5. Settling, flooding, drainage, structural, or grading
 25 problems?
 26 unknown ___yes___no___
- 27 6. Major damage to the property from fire, wind, floods, or
 28 landslides?
 29 unknown ___yes___no___

- 1 7. Any underground storage tanks?
2 unknown__yes__no__
- 3 8. Farm or farm operation in the vicinity; or proximity to a
4 landfill, airport, shooting range, etc.?
5 unknown__yes__no__
- 6 9. Any outstanding utility assessments or fees, including any
7 natural gas main extension surcharge?
8 unknown__yes__no__
- 9 10. Any outstanding municipal assessments or fees?
10 unknown__yes__no__
- 11 11. Any pending litigation that could affect the property or the
12 seller's right to convey the property?
13 unknown__yes__no__

14 If the answer to any of these questions is yes, please explain.

15 Attach additional sheets, if necessary:_____

16 _____

17 _____

18 _____

19 _____

20 The seller has lived in the residence on the property from

21 _____ (date) to _____ (date). The seller

22 has owned the property since _____ (date). The

23 seller has indicated above the condition of all the items based

24 on information known to the seller. If any changes occur in the

25 structural/mechanical/appliance systems of this property from the

26 date of this form to the date of closing, seller will immediately

27 disclose the changes to buyer. In no event shall the parties hold

28 the broker liable for any representations not directly made by

29 the broker or broker's agent.

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1 Seller certifies that the information in this statement is
2 true and correct to the best of seller's knowledge as of the date
3 of seller's signature.

4 BUYER SHOULD OBTAIN PROFESSIONAL ADVICE AND INSPECTIONS
5 OF THE PROPERTY TO MORE FULLY DETERMINE THE CONDITION
6 OF THE PROPERTY. **THESE INSPECTIONS SHOULD TAKE INDOOR
7 AIR AND WATER QUALITY INTO ACCOUNT, AS WELL AS ANY
8 EVIDENCE OF UNUSUALLY HIGH LEVELS OF POTENTIAL
9 ALLERGENS <<INCLUDING, BUT NOT LIMITED TO, HOUSEHOLD MOLD,
MILDEW AND BACTERIA>>.**

10 BUYERS ARE ADVISED THAT CERTAIN INFORMATION COMPILED
11 PURSUANT TO THE SEX OFFENDERS REGISTRATION ACT,
12 1994 PA 295, MCL 28.721 TO 28.732, IS AVAILABLE TO
13 THE PUBLIC. BUYERS SEEKING THAT INFORMATION SHOULD
14 CONTACT THE APPROPRIATE LOCAL LAW ENFORCEMENT AGENCY
15 OR SHERIFF'S DEPARTMENT DIRECTLY.

16 BUYER IS ADVISED THAT THE STATE EQUALIZED VALUE OF THE
17 PROPERTY, PRINCIPAL RESIDENCE EXEMPTION INFORMATION,
18 AND OTHER REAL PROPERTY TAX INFORMATION IS AVAILABLE
19 FROM THE APPROPRIATE LOCAL ASSESSOR'S OFFICE. **<<BUYER
20 SHOULD NOT ASSUME THAT BUYER'S FUTURE TAX BILLS ON THE
21 PROPERTY WILL BE THE SAME AS THE SELLER'S PRESENT TAX
22 BILLS. UNDER MICHIGAN LAW, REAL PROPERTY TAX
23 OBLIGATIONS CAN CHANGE SIGNIFICANTLY WHEN PROPERTY IS
24 TRANSFERRED.>>**

25 Seller _____ Date _____

26 Seller _____ Date _____

27 Buyer has read and acknowledges receipt of this statement.

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1 Buyer _____ Date _____ Time: _____

2 Buyer _____ Date _____ Time: _____

3 (2) A form described in subsection (1) printed before

4 ~~March 8, 2000~~ <<JANUARY 1, 2006

5 >> that was in compliance with this section

6 at that time may be utilized and shall be considered in

7 compliance with this section until ~~June 6, 2000~~ <<APRIL 1, 2006.

8

9 >>
<<Enacting section 1. This amendatory act takes effect January 1, 2006.>>