

Act No. 163  
Public Acts of 2005  
Approved by the Governor  
October 6, 2005  
Filed with the Secretary of State  
October 6, 2005  
EFFECTIVE DATE: January 1, 2006

**STATE OF MICHIGAN  
93RD LEGISLATURE  
REGULAR SESSION OF 2005**

Introduced by Senators Brown, Hardiman, George and Birkholz

**ENROLLED SENATE BILL No. 370**

AN ACT to amend 1993 PA 92, entitled "An act to require certain disclosures in connection with transfers of residential property," by amending section 7 (MCL 565.957), as amended by 2003 PA 130.

*The People of the State of Michigan enact:*

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

SELLER'S DISCLOSURE STATEMENT

**Property Address:** \_\_\_\_\_  
Street  
\_\_\_\_\_ Michigan  
City, Village, or Township

**Purpose of Statement:** This statement is a disclosure of the condition of the property in compliance with the seller disclosure act. This statement is a disclosure of the condition and information concerning the property, known by the seller. Unless otherwise advised, the seller does not possess any expertise in construction, architecture, engineering, or any other specific area related to the construction or condition of the improvements on the property or the land. Also, unless otherwise advised, the seller has not conducted any inspection of generally inaccessible areas such as the foundation or roof. This statement is not a warranty of any kind by the seller or by any agent representing the seller in this transaction, and is not a substitute for any inspections or warranties the buyer may wish to obtain.

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

**Instructions to the Seller:** (1) Answer ALL questions. (2) Report known conditions affecting the property. (3) Attach additional pages with your signature if additional space is required. (4) Complete this form yourself. (5) If some items do not apply to your property, check NOT AVAILABLE. If you do not know the facts, check UNKNOWN. FAILURE TO PROVIDE A PURCHASER WITH A SIGNED DISCLOSURE STATEMENT WILL ENABLE A PURCHASER TO TERMINATE AN OTHERWISE BINDING PURCHASE AGREEMENT.



**3. Roof:** Leaks? yes \_\_\_ no \_\_\_

Approximate age if known \_\_\_\_\_

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

Has the water been tested? yes \_\_\_ no \_\_\_

If yes, date of last report/results: \_\_\_\_\_

**5. Septic tanks/drain fields:** Condition, if known: \_\_\_\_\_

**6. Heating System:** Type/approximate age: \_\_\_\_\_

**7. Plumbing system:** Type: copper \_\_\_ galvanized \_\_\_ other \_\_\_

Any known problems? \_\_\_\_\_

**8. Electrical system:** Any known problems? \_\_\_\_\_

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

**10. Environmental Problems:** Are you aware of any substances, materials, or products that may be an environmental hazard such as, but not limited to, asbestos, radon gas, formaldehyde, lead-based paint, fuel or chemical storage tanks and contaminated soil on the property. unknown \_\_\_ yes \_\_\_ no \_\_\_

If yes, please explain: \_\_\_\_\_

**11. Flood insurance:** Do you have flood insurance on the property? unknown \_\_\_ yes \_\_\_ no \_\_\_

**12. Mineral rights:** Do you own the mineral rights? unknown \_\_\_ yes \_\_\_ no \_\_\_

**Other Items:** Are you aware of any of the following:

1. Features of the property shared in common with the adjoining landowners, such as walls, fences, roads and driveways, or other features whose use or responsibility for maintenance may have an effect on the property? unknown \_\_\_ yes \_\_\_ no \_\_\_

2. Any encroachments, easements, zoning violations, or nonconforming uses? unknown \_\_\_ yes \_\_\_ no \_\_\_

3. Any "common areas" (facilities like pools, tennis courts, walkways, or other areas co-owned with others), or a homeowners' association that has any authority over the property? unknown \_\_\_ yes \_\_\_ no \_\_\_

4. Structural modifications, alterations, or repairs made without necessary permits or licensed contractors? unknown \_\_\_ yes \_\_\_ no \_\_\_

5. Settling, flooding, drainage, structural, or grading problems? unknown \_\_\_ yes \_\_\_ no \_\_\_

6. Major damage to the property from fire, wind, floods, or landslides? unknown \_\_\_ yes \_\_\_ no \_\_\_

7. Any underground storage tanks? unknown \_\_\_ yes \_\_\_ no \_\_\_

8. Farm or farm operation in the vicinity; or proximity to a landfill, airport, shooting range, etc.? unknown \_\_\_ yes \_\_\_ no \_\_\_

9. Any outstanding utility assessments or fees, including 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 property or the seller's right to convey the property? unknown \_\_\_ yes \_\_\_ no \_\_\_

If the answer to any of these questions is yes, please explain. Attach additional sheets, if necessary: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The seller has lived in the residence on the property from \_\_\_\_\_ (date) to \_\_\_\_\_ (date). The seller has owned the property since \_\_\_\_\_ (date). The seller has indicated above the condition of all the items based on information known to the seller. If any changes occur in the structural/mechanical/appliance systems of this property from the date of this form to the date of closing, seller will immediately disclose the changes to buyer. In no event shall the parties hold the broker liable for any representations not directly made by the broker or broker's agent.

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

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

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

Seller \_\_\_\_\_ Date \_\_\_\_\_

Seller \_\_\_\_\_ Date \_\_\_\_\_

Buyer has read and acknowledges receipt of this statement.

Buyer \_\_\_\_\_ Date \_\_\_\_\_ Time: \_\_\_\_\_

Buyer \_\_\_\_\_ Date \_\_\_\_\_ Time: \_\_\_\_\_

(2) A form described in subsection (1) printed before January 1, 2006 that was in compliance with this section at that time may be utilized and shall be considered in compliance with this section until April 1, 2006.

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

This act is ordered to take immediate effect.

*Carol Morey Viventi*

Secretary of the Senate

*Jay E. Randall*

Clerk of the House of Representatives

Approved \_\_\_\_\_

\_\_\_\_\_  
Governor