

SUBSTITUTE FOR
HOUSE BILL NO. 5014

A bill to amend 1993 PA 92, entitled
"Seller disclosure act,"
by amending section 7 (MCL 565.957), as amended by 1996 PA 92.

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 con-
9 dition of the property in compliance with the seller disclosure
10 act. This statement is a disclosure of the condition and

HB5014, As Passed House, January 25, 2000

House Bill No. 5014

2

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

11 **Seller's Disclosure:** The seller discloses the following informa-
12 tion with the knowledge that even though this is not a warranty,
13 the seller specifically makes the following representations based
14 on the seller's knowledge at the signing of this document. Upon
15 receiving this statement from the seller, the seller's agent is
16 required to provide a copy to the buyer or the agent of the
17 buyer. The seller authorizes its agent(s) to provide a copy of
18 this statement to any prospective buyer in connection with any
19 actual or anticipated sale of property. The following are repre-
20 sentations made solely by the seller and are not the representa-
21 tions of the seller's agent(s), if any. **This information is a**
22 **disclosure only and is not intended to be a part of any contract**
23 **between buyer and seller.**

24 **Instructions to the Seller:** (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

HB5014, As Passed House, January 25, 2000

House Bill No. 5014

3

1 your property, check ~~N/A (nonapplicable)~~ NOT AVAILABLE. If you
2 do not know the facts, check UNKNOWN. FAILURE TO PROVIDE A
3 PURCHASER WITH A SIGNED DISCLOSURE STATEMENT WILL ENABLE A
4 PURCHASER TO TERMINATE 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	N/A
9				NOT
10				AVAIL-
11				ABLE
12 Range/Oven	_____	_____	_____	_____
13 Dishwasher	_____	_____	_____	_____
14 Refrigerator	_____	_____	_____	_____
15 Hood/fan	_____	_____	_____	_____
16 Disposal	_____	_____	_____	_____
17 TV antenna, TV rotor & controls	_____	_____	_____	_____
18 Electrical system	_____	_____	_____	_____
19 Garage door opener & remote control	_____	_____	_____	_____
20 Alarm system	_____	_____	_____	_____
21 Intercom	_____	_____	_____	_____
22 Central vacuum	_____	_____	_____	_____
23 Attic fan	_____	_____	_____	_____
24 Pool heater, wall liner & equipment	_____	_____	_____	_____
25 Microwave	_____	_____	_____	_____
26 Trash compactor	_____	_____	_____	_____

HB5014, As Passed House, January 25, 2000

House Bill No. 5014

4

1 Ceiling fan	_____	_____	_____	_____
2 Sauna/hot tub	_____	_____	_____	_____
3 WASHER	_____	_____	_____	_____
4 DRYER	_____	_____	_____	_____
5 Lawn sprinkler system	_____	_____	_____	_____
6 Water heater	_____	_____	_____	_____
7 Plumbing system	_____	_____	_____	_____
8 Water softener/conditioner	_____	_____	_____	_____
9 Well & pump	_____	_____	_____	_____
10 Septic tank & drain field	_____	_____	_____	_____
11 Sump pump	_____	_____	_____	_____
12 City Water System	_____	_____	_____	_____
13 City Sewer System	_____	_____	_____	_____
14 Central air conditioning	_____	_____	_____	_____
15 Central heating system	_____	_____	_____	_____
16 Furnace WALL FURNACE	_____	_____	_____	_____
17 Humidifier	_____	_____	_____	_____
18 Electronic air filter	_____	_____	_____	_____
19 Solar heating system	_____	_____	_____	_____
20 Fireplace & chimney	_____	_____	_____	_____
21 Wood burning system	_____	_____	_____	_____
22 Explanations (attach additional sheets if necessary):				
23 _____				
24 _____				
25 _____				
26 _____				

HB5014, As Passed House, January 25, 2000

House Bill No. 5014

5

1 _____

2 UNLESS OTHERWISE AGREED, ALL HOUSEHOLD APPLIANCES ARE SOLD IN
3 WORKING ORDER EXCEPT AS NOTED, WITHOUT WARRANTY BEYOND DATE OF
4 CLOSING.

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

6 1. ~~Basement~~ **BASEMENT/CRAWL SPACE:** Has there been evidence of
7 water? yes ___ no ___

8 If yes, please explain: _____

9 2. **Insulation:** Describe, if known _____

10 Urea Formaldehyde Foam Insulation (UFFI) is installed?

11 unknown ___ yes ___ no ___

12 3. **Roof:** Leaks? yes _ no ___

13 Approximate age if known _____

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

16 Has the water been tested? yes ___ no ___

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

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

19 _____

HB5014, As Passed House, January 25, 2000

House Bill No. 5014

6

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

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

3 Any known problems?_____

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

5 _____

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

8 **10. Environmental Problems:** ~~Substances~~ ARE YOU AWARE OF ANY
9 SUBSTANCES, materials, or products that may be an environmen-
10 tal hazard such as, but not limited to, asbestos, radon gas,
11 formaldehyde, lead-based paint, fuel, or chemical storage
12 tanks and contaminated soil on the property.
13 unknown __ yes __ no __

14 If yes, please explain:_____

15 _____

16 **11. FLOOD INSURANCE:** DO YOU HAVE FLOOD INSURANCE ON THE
17 PROPERTY? UNKNOWN __ YES __ NO __

HB5014, As Passed House, January 25, 2000

House Bill No. 5014

7

1 **12. MINERAL RIGHTS:** DO YOU OWN THE MINERAL RIGHTS?

2 UNKNOWN ___ YES ___ NO ___

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

4 1. Features of the property shared in common with the adjoining
5 landowners, such as walls, fences, roads, and driveways, or other
6 features whose use or responsibility for maintenance may have an
7 effect on the property?

8 unknown ___ yes ___ no ___

9 2. Any encroachments, easements, zoning violations, or noncon-
10 forming uses?

11 unknown ___ yes ___ no ___

12 3. Any "common areas" (facilities like pools, tennis courts,
13 walkways, or other areas co-owned with others), or a homeowners'
14 association that has any authority over the property?

15 unknown ___ yes ___ no ___

16 4. Structural modifications, alterations, or repairs made with-
17 out necessary permits or licensed contractors?

18 unknown ___ yes ___ no ___

19 5. Settling, flooding, drainage, structural, or grading
20 problems?

21 unknown ___ yes ___ no ___

22 6. Major damage to the property from fire, wind, floods, or
23 landslides?

24 unknown ___ yes ___ no ___

25 7. Any underground storage tanks?

26 unknown ___ yes ___ no ___

HB5014, As Passed House, January 25, 2000

House Bill No. 5014

8

1 8. Farm or farm operation in the vicinity; or proximity to a
2 landfill, airport, shooting range, etc.?

3 unknown __ yes __ no __

4 9. ANY OUTSTANDING UTILITY ASSESSMENTS OR FEES, INCLUDING ANY
5 NATURAL GAS MAIN EXTENSION SURCHARGE?

6 UNKNOWN __ YES __ NO __

7 10. ANY OUTSTANDING MUNICIPAL ASSESSMENTS OR FEES?

8 UNKNOWN __ YES __ NO __

9 11. ANY PENDING LITIGATION THAT COULD AFFECT THE PROPERTY OR THE
10 SELLER'S RIGHT TO CONVEY THE PROPERTY?

11 UNKNOWN __ YES __ NO __

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

13 Attach additional sheets, if necessary: _____

14 _____

15 _____

16 _____

17 _____

18 ~~The most recent state equalized valuation of the property pro-~~
19 ~~vided by the local taxing unit to the seller was \$_____ as of~~
20 ~~_____ (date). The seller has lived in the residence on the prop-~~
21 ~~erty from _____ (date) to _____ (date). The seller~~
22 ~~has owned the property since _____ (date). ~~and makes rep-~~~~
23 ~~resentation only since that date. The seller has indicated above~~
24 ~~the ~~history and~~ condition of all the items based on ~~that~~~~
25 ~~information known to the seller. If any changes occur in the~~
26 ~~structural/mechanical/appliance systems of this property from the~~
27 ~~date of this form to the date of closing, seller will immediately~~

HB5014, As Passed House, January 25, 2000

Sub. H.B. 5014 (H-1) as amended January 25, 2000

9

1 disclose the changes to buyer. In no event shall the parties
2 hold the broker liable for any representations not directly made
3 by the broker or broker's agent.

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

7 BUYER SHOULD OBTAIN PROFESSIONAL
8 ADVICE AND INSPECTIONS OF THE
9 PROPERTY TO MORE FULLY DETERMINE THE
10 CONDITION OF THE PROPERTY.

11
12 BUYER IS ADVISED THAT THE STATE
13 EQUALIZED VALUE OF THE PROPERTY [, HOMESTEAD EXEMPTION
14 INFORMATION,] AND
15 OTHER REAL PROPERTY TAX INFORMATION
16 IS AVAILABLE FROM THE APPROPRIATE
17 LOCAL ASSESSOR'S OFFICE. BUYER
18 SHOULD NOT ASSUME THAT BUYER'S
19 FUTURE TAX BILLS ON THE PROPERTY
20 WILL BE THE SAME AS THE SELLER'S
21 PRESENT TAX BILLS. UNDER MICHIGAN
22 LAW, REAL PROPERTY TAX OBLIGATIONS
23 CAN CHANGE SIGNIFICANTLY WHEN
PROPERTY IS TRANSFERRED.

24 Seller _____ Date _____

25 Seller _____ Date _____

26 Buyer has read and acknowledges receipt of this statement.

HB5014, As Passed House, January 25, 2000

House Bill No. 5014

10

1 Buyer _____ Date _____ Time: _____

2 Buyer _____ Date _____ Time: _____

3 (2) A form described in subsection (1) printed before the
4 effective date of the 1999 amendatory act that ~~added~~ AMENDED
5 this subsection that ~~is~~ WAS in compliance with ~~Act No. 106~~ of
6 the ~~Public Acts of 1995~~ and that differs from this section
7 regarding notice of a farm or farm operation in the vicinity
8 THIS SECTION AT THAT TIME may be utilized and shall be considered
9 in compliance with this section until ~~July 1, 1996~~ 90 DAYS
10 AFTER THE EFFECTIVE DATE OF THE 1999 AMENDATORY ACT THAT AMENDED
11 THIS SUBSECTION.