



# HOUSE BILL No. 5014

October 19, 1999, Introduced by Reps. Middaugh, Cassis, Bisbee, Cameron Brown, Ruth Johnson, Jellema, Pestka, Spade, DeRossett, Frank, Jelinek, Mead, Sheltroun, LaSata, Kukuk, Neumann, Rivet, Tabor, Toy, Bishop, DeWeese, Allen, Gosselin, Mortimer, Hager, Richardville, Vander Roest, Kowall, Ehardt, Rocca, Kuipers, Sanborn, Hale, Van Woerkom, Faunce, Jansen, Stamas, Kilpatrick, Birkholz and Raczkowski and referred to the Committee on Regulatory Reform.

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

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



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	<del>N/A</del>
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	_____	_____	_____	_____

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

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

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

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

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

8 2. **Insulation:** Describe, if known \_\_\_\_\_

9 Urea Formaldehyde Foam Insulation (UFFI) is installed?

10 unknown \_\_\_ yes \_\_\_ no \_\_\_

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

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

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

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

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

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

18 \_\_\_\_\_

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 \_\_

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 \_\_\_



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?

5 UNKNOWN \_\_\_ YES \_\_\_ NO \_\_\_

6 10. ANY OUTSTANDING MUNICIPAL ASSESSMENTS OR FEES?

7 UNKNOWN \_\_\_ YES \_\_\_ NO \_\_\_

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

10 UNKNOWN \_\_\_ YES \_\_\_ NO \_\_\_

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

12 Attach additional sheets, if necessary: \_\_\_\_\_

13 \_\_\_\_\_

14 \_\_\_\_\_

15 \_\_\_\_\_

16 \_\_\_\_\_

17 ~~The most recent state equalized valuation of the property pro-~~  
18 ~~vided by the local taxing unit to the seller was \$\_\_\_\_\_ as of~~

19 ~~\_\_\_\_\_ (date). The seller has lived in the residence on the prop-~~

20 ~~erty from \_\_\_\_\_ (date) to \_\_\_\_\_ (date). The seller~~

21 ~~has owned the property since \_\_\_\_\_ (date). and makes rep-~~

22 ~~resentation only since that date. The seller has indicated above~~

23 ~~the history and~~ condition of all the items based on ~~that~~

24 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

1 hold the broker liable for any representations not directly made  
2 by the broker or broker's agent.

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

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

10

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

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

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

25 Buyer has read and acknowledges receipt of this statement.

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

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

2 (2) A form described in subsection (1) printed before the  
3 effective date of the 1999 amendatory act that ~~added~~ AMENDED  
4 this subsection that ~~is~~ WAS in compliance with ~~Act No. 106 of~~  
5 ~~the Public Acts of 1995 and that differs from this section~~  
6 ~~regarding notice of a farm or farm operation in the vicinity~~  
7 THIS SECTION AT THAT TIME may be utilized and shall be considered  
8 in compliance with this section until ~~July 1, 1996~~ 180 DAYS  
9 AFTER THE EFFECTIVE DATE OF THE 1999 AMENDATORY ACT THAT AMENDED  
10 THIS SUBSECTION.