

TOPIC 5

Mandated Disclosures



EXAM TOPICS

TOPIC 5 - Property disclosures (Salesperson 6%; Broker 7%)

A. Property condition

1. Property condition that may warrant inspections and surveys
2. Proposed uses or changes in uses that should trigger inquiry about public or private land use controls

B. Environmental issues requiring disclosure

C. Government disclosure requirements (LEAD)

D. Material facts and defect disclosure

STUDY NOTES:

PROPERTY CONDITION & DISCLOSURE

PROPERTY OWNER'S ROLE REGARDING RESIDENTIAL PROPERTY CONDITION DISCLOSURE REPORT (PDR) STATEMENT:

- Sellers of residential property (one to four family dwellings) must complete and sign the **Residential Property Condition Disclosure Report (PDR)** and deliver it to the buyer when entering into a binding purchase agreement.
- If purchaser signs an offer without being provided with disclosure, s/he may withdraw from transaction before closing and receive deposit refund.
- Real estate offices (or the real estate licensee) must make the form available to the public even if the person requesting the form is not a client of the agent.
- Purchase agreement must identify that the buyer has or has not received the (PDR).
- See the Residential Property Condition Disclosure Report at the end of this section.

SELLER'S RESPONSIBILITY FOR WITHHOLDING INFORMATION

FRAUD: An intentional mis-statement of facts.

Example: Seller knows that property is situated on 2 acres but he states that he has 5 acres.

SILENT FRAUD (Non-Disclosure): The act of withholding information regarding concealed property defects from the buyer while the seller knows if such information is disclosed, it may result in losing the sale or offering a lower price.

Example: Seller paves over an old, leaky underground storage tank because he does not want a potential buyer to find out about it.

MISREPRESENTATION (INNOCENT MISREPRESENTATION): An innocent misstatement of facts.

Example: Seller believes that his property is situated on 5 acres and that is what he documents in the sale, but the truth is that the property only sits on 2 acres.

LATENT DEFECT: A defect that is hidden but known to the seller only and cannot be revealed by an ordinary inspection of the agent or buyer, such as a crack in a basement wall that is concealed behind some drywall or paneling. A "**non-disclosure**" of a defect will result in seller committing "**silent fraud**".

PATENT DEFECT: A defect that can be discovered as a result of a reasonable inspection that is conducted on the property, such as an obvious roof leak, furnace problem, etc.

LICENSEE'S ROLE REGARDING PROPERTY CONDITION

- 1- If licensee is aware of certain property defects, licensee has a duty to disclose the information to the buyer even if licensee was a seller's agent.
- 2- Licensee must encourage the seller to disclose all known defects even if the defect is not addressed in the seller's disclosure statement.

STATE POSITION REGARDING DISCLOSURE: A licensee's disclosure of material facts in the property shall not be considered grounds for disciplinary action by the DCP/REC against the licensee, despite a claim by the seller that such disclosure constituted disloyalty to the seller.

MATERIAL FACTS RELATED TO PROPERTY CONDITION OR LOCATION

MATERIAL FACTS: Have direct effect on value such as a leak in the roof, pollution, a bad furnace, etc. It may not be a defect but an issue that a buyer must know such as the fact that the seller has made an addition to the property without a permit or has an ongoing legal problem with a neighbor or the association. Material facts must be disclosed to the buyer.

NON-MATERIAL FACTS: Have no effect on value such as the reason for the sale, seller is sick, getting a divorce, seller lost job and is desperate for money, or, for example, that a murder or suicide has occurred in the house. No duty is imposed to disclose. In fact, as agent of seller, you will jeopardize seller's bargaining position by voluntarily disclosing such unnecessary information.

ENVIRONMENTAL ISSUES REQUIRING DISCLOSURE LEAD PAINT DISCLOSURES

- 1- As discussed earlier under the section “**land use controls and regulations**”, a property may have certain environmental hazards that must be dealt with when selling or leasing that property.
- 2- Environmental hazards may also exist outside the property such as a nearby dump, air pollution a nearby factory, oil refinery, Storage tanks that are buried outside the property, and so on.
- 3- The seller’s disclosure statement addresses certain issues but the fact remains that if the seller or agent knows of any hazards, full disclosure is required. Keep in mind that the seller’s disclosure statement only applies to residential property (1-4 family dwellings), not that a seller of commercial property or vacant land could not voluntarily use it, but remains unlikely that it will be used in other than residential sales.

AGENCY DISCLOSURE

- A. **Disclosure of the agency relationship is required in Connecticut**; it is required at the first meaningful contact with a buyer or seller.
- B. **Dual agency is not allowed unless all parties agree to it**; however, dual agency is illegal in some states. The disclosure should be made before the individual discloses any confidential information to the broker.

PROPERTY DISCLOSURE

- A. **Latent defects**—a hidden structural defect that would not be discovered by ordinary inspection, such as a part of the property being built partly on an adjoining property or a zoning violation.
 1. Seller has duty to discover and disclose any known latent defects that threaten personal safety or structural soundness.
 2. Buyers have been able to receive damages or terminate the offer to purchase in a case where a seller did not reveal known latent defects.
 3. Some states require a seller of residential property to provide a property condition report for all prospective buyers.
 4. Some states also require the licensee to discover and disclose to prospective buyers any material facts that may affect the property’s desirability or value in spite of the seller’s lack of knowledge or failure to disclose.

ENVIRONMENTAL DISCLOSURES

1. A real estate broker should be able to notice potential environmental hazards in a property that would be readily apparent to a real estate broker and urge that the buyer or seller have the potential hazard evaluated by a qualified third party.
2. Broker should be aware of the **Comprehensive Environmental Response Compensation and Liability Act (CERCLA)** of 1980 which was amended as the **Superfund Amendment and Reauthorization Act (SARA)** of 1986.
 - a. **Established fund of \$9 billion called Superfund** to clean up uncontrolled hazardous waste dumps and respond to spills.
 - b. **Created a process of identifying liable parties and ordering them to take responsibility for the cleanup.**
 - c. **Liability under Superfund is considered to be strict, joint and several, and retroactive**
 - (1) **Strict liability**—owner is responsible to the injured party without excuse.
 - (2) **Joint and several liability**—each individual owner is personally

responsible for the damages in whole; if only one owner is financially able to handle the total damage, then that owner will have to pay all and attempt to collect the proportionate share of the rest of the owners from them.

- (3) **Retroactive liability**—liability for actions before CERCLA was passed. For example, in the Love Canal case all the waste was dumped long before CERCLA was passed in 1980, but the release of that waste was current and causing injury after the statute was enacted. Retroactive liability means that parties found responsible for causing a release are liable even if their actions occurred prior to CERCLA's enactment.
 - d. **In 2001–2002 the Brownfields Revitalization and Environmental Restoration Act** and subsequent Small Business Liability Relief and Brownfields Revitalization Act were enacted to further reduce the risk of innocent landowners who purchased once environmentally contaminated real estate. This legislation helped to rejuvenate many deserted, defunct, and derelict toxic industrial sites by diminishing the innocent landowner's liability exposure and providing them with the opportunity to expense cleanup costs rather than capitalize them.
- C. Brokers should be familiar with environmental hazards known to be common to their market area.
- D. The listing broker and selling broker, if a subagent, must inform the seller or lessor of their obligations for environmental disclosures under **the Residential Lead-Based Paint Hazard Reduction Act of 1992 for dwellings built prior to 1978:**
1. Homebuyers must be alerted to any lead-based paint or related hazards.
 2. Homebuyers must be given an agreed-upon time period for the opportunity to conduct a lead-based paint inspection or risk assessment at their expense.
 3. A Certification and Acknowledgment of Disclosures must be attached to the offer to purchase.
 4. A copy of the Certification and Acknowledgment must be kept by the seller and both agents for three years after closing or the beginning of the lease.

MATERIAL FACTS FOR SELLER'S AGENT INCLUDE

1. **disclosure of all offers,**
2. **buyer's ability to offer a higher price** (in most states),
3. **disclosing names of prospective buyers** as well as any relationship, such as buyer being related to licensee, and
4. **disclosure of known material defects** in property.

MATERIAL FACTS FOR BUYER'S AGENT INCLUDE

1. **disclosing property deficiencies,**
2. **disclosing provisions of offer** to purchase that are not favorable to the buyer,
3. **recommending the lowest price** the buyer should offer regardless of the list price, &
4. **disclosing how long** the property has been listed.

NATIONAL TEST TOPIC #5a
MANDATED DISCLOSURES #5a
2020 Practice Classroom Quiz



- 1- The purpose of the seller's disclosure statement is to:
 - A. Determine all defects with the property
 - B. Inform a potential buyer of conditions known to the seller
 - C. Be able to sue the seller for any defects with the property
 - D. Stop the buyer from withdrawing from the sale before closing

- 2- A buyer signed a purchase agreement and was later able to legally withdraw from the transaction and received a refund of the deposit. Under which of the following circumstances was the buyer able to rescind the transaction?
 - A. The buyer could not be approved for a loan at favorable interest rates
 - B. The buyer was surprised that his employer was transferring him to another city
 - C. The buyer heard that someone was killed in the house
 - D. The buyer did not receive a seller's disclosure statement

- 3- All of the following are material facts except:
 - A. Leak in the roof
 - B. Crack in the basement wall
 - C. Problem with plumbing
 - D. Seller is anxious to sell

- 4- Seller's disclosure statement must be provided to buyer:
 - A. No later than nine business days after signing the offer to purchase
 - B. Before an offer to purchase is signed
 - C. Any time before closing
 - D. No later than two days after closing

- 5- The listing salesperson has no duty to inform a buyer that:
 - A. Zoning is a problem for the property
 - B. Leaks from a nearby toxic waste dump site have caused underground pollution.
 - C. Seller indicated that she will accept less for the property
 - D. The city inspector will probably not issue a permit to build on this property unless a cleanup takes place

- 6- An owner asks the salesperson if his company will accept less commission. The salesperson must:
- A. Leave the commission blank after signing the listing agreement and see if the broker will later allow a lower commission.
 - B. Tell the owner that all commissions are set by the state and there is nothing he can do
 - C. Lower the commission to any reasonable amount agreed upon between the salesperson and the owner.
 - D. Tell the owner that the decision must be made by the broker and he has no authority to accept less commission.
- 7- The street in your neighborhood has been paved by the city. How will that affect your tax bill?
- A. Millage rate will increase.
 - B. Assessed value will decrease.
 - C. You may receive a bill for special assessments
 - D. Your property tax will be lowered.
- 8- An agent inspects a new listing and notices obvious leaks in the roof as well as around windows. He is told by the seller that the furnace is not working properly and that all the defects will be disclosed on the seller's disclosure statement. The agent also notices water in the basement, but the seller tells him to ignore the water because he had paid a company to fix it but it still leaked, therefore they were coming back to fix it again under warranty. Which of the following is NOT considered to be proper behavior by agent?
- A. Make sure that the leaks and the furnace issue are disclosed
 - B. Recommend an inspection to a potential buyer just in case there are more defects in the property
 - C. Since the issue with the basement is covered by warranty, there is no need to be concerned with it
 - D. Provide a completed seller's disclosure statement to the buyer before signing the purchase agreement
- 9- A provision placed in the deed by the seller aimed at controlling the present and future use of property is called:
- A. Seller restriction
 - B. Land use regulation
 - C. Unnecessary burden on the buyer
 - D. Deed restriction

10- An agent is selling a vacant lot in a neighborhood that is not served with sanitary sewers. The agent should make the purchase agreement subject to

- A. A foundation inspection
- B. A percolation test
- C. A soil sampling inspection
- D. A building permit

11- Which of the following would be covered under a home / construction warranty?

- A. Damages resulting from overpaying for the property
- B. Damages resulting from a defective title
- C. Damages resulting from a defective furnace
- D. Damages resulting from an unpaid water bill prior to closing

12- John is thinking about selling his house but wants to try it –by ownerll to see if he can save the commission. Sally provides John with a free market analysis hoping to list the property and informs him of the necessity of providing a seller’s disclosure statement. John thanks Sally for her service but refuses to list the house with her. If John needs a copy of the seller’s disclosure form, where can he get it?

- A. Sally must provide it to him even though he did not hire her
- B. Sally can refer him to the state website where he can download it
- C. Sally can suggest that he contact a lawyer or the local government
- D. Sally should tell him that the disclosure is required only when a licensee is involved in the sale of the property

END

ANSWERS – TOPIC 5a: PROPERTY CONDITION & DISCLOSURE

1. B
2. D
3. D
4. B
5. C
6. D
7. C
8. C
9. D
10. B
11. C
12. A

NATIONAL TEST TOPIC #5b
MANDATED DISCLOSURES #5b
2020 Practice Classroom Quiz



1. Broker Bob is going to contact customer Paula who would like to see one of Bob's listings. Bob should make his agency disclosure

1. prior to meeting with Paula
2. prior to discussing Paula's financial qualification and type of house desired.
3. prior to actually showing the listed property
4. prior to writing an offer to purchase.

2. Which of the following would NOT be classified as a latent defect?

1. An unknown underground oil tank
2. Hidden structural damage
3. A large crack in the living room ceiling
4. A cracked heat exchanger in the furnace

3. Which of the following statements does NOT correctly describe the status of dual agency?

1. Dual agency is legal in all states.
2. Dual agency is not allowed unless all parties agree to it.
3. Disclosure of dual agency should be made when preparing an offer to purchase.
4. Disclosure of dual agency should be made prior to the closing of a real estate transaction.

4. The Comprehensive Environmental Response, Compensation, and Liability Act was amended in 1986 to protect innocent landowners from cleanup liability through which legislative action?

1. SARA
2. FIREEA
3. Title VIII
4. Title X

5. The Residential Lead-Based Paint Hazard Reduction Act of 1992 does NOT require that

1. the seller disclose any lead-based paint or related hazards.
2. homebuyers be given an agreed-upon time period for the opportunity to conduct a lead-based paint inspection or a risk assessment at their own expense.
3. a Certification and Acknowledgment of Disclosure be attached to the offer to purchase.
4. a copy of the Certification and Acknowledgment be kept by only the listing broker.

6. The Residential Lead-Based Paint Hazard Reduction Act of 1992 requires that copies of the Certification and Acknowledgment be kept for

1. one year after closing.
2. two years after closing.
3. seven years after closing.
4. five years after closing.

7. Which of the following statements would NOT be a material fact to be disclosed by a seller's agent?

1. The buyer's ability to make a higher offer
2. Disclosure of a roof that leaks
3. Discussion of the advantages of an offer to purchase
4. Knowledge of active infestation of termites

8. Which of the following statements would NOT be a material fact to be disclosed by a buyer's agent?

1. Disclosure of how long the property has been listed
2. Buyer's ability to make a higher offer
3. Recommend the lowest price the buyer should offer regardless of the list price
4. Disclosure of provisions of offer to purchase that are not favorable to buyer

9. Which of the following does NOT correctly describe the status of agency disclosure?

1. Disclosure is required in some states.
2. Disclosure is required at the first meaningful contact with a buyer.
3. Disclosure is required at the first meaningful contact with the seller.
4. Disclosure is required in every state.

10. CERCLA is a law that deals with

1. fair housing legislation.
2. environmental legislation.
3. appraisal legislation.
4. banking legislation.

11. Legislation that has helped resurrect deserted, defunct, and derelict toxic industrial sites is known as

1. DNR.
2. Waste field.
3. Due diligences.
4. Brownfields legislation.

12. An owner had a grease fire and it spread to the ceiling. The kitchen was remodeled and the charred ceiling joists were sealed with paint. When the seller sells the property, the hidden charred ceiling joists should be disclosed as

1. nothing because they were repaired.
2. discoverable defects.
3. caveat emptor.
4. latent defects.

13. What federal legislation would a community call upon to clean up a toxic waste site?

1. HUD
2. Regulation Z
3. CERCLA
4. Title VIII

14. If a buyer's agent knows that the house her buyer desires to purchase has been stigmatized by a recent murder-suicide, what ethically should the buyer's agent do?

1. Remain silent to protect the seller
2. Remain silent because the incident didn't harm the structure
3. Disclose it to the buyer after the purchase agreement is signed
4. Disclose it to the buyer before the buyer writes an offer

ANSWERS: **TOPIC 5b: Mandated Disclosures QUESTIONS (5b)**

1. (2) While this is generally correct, you should check with your state licensing board on the disclosure timing.
2. (3) A latent defect would not be discovered by an ordinary inspection.
3. (1) Dual agency is not legal in some states. Moreover, dual agency is not allowed in any state unless all parties agree to it.
4. (1) **SARA** (Superfund Amendments and Reauthorization Act) was enacted to create an innocent landowner defense against the strict liability interpretation of CERCLA.
5. (4) A copy of the Certification & Acknowledgment must be kept by the seller and both agents.
6. (3) Copies must also be kept for seven years after the beginning of a lease.
7. (2) Property defects caused by deferred maintenance.
8. (2) A seller's agent would be required to disclose the buyer's ability to make a higher offer unless prohibited by state law.
9. (1) Agency disclosure is required in every state; therefore, the first response is incorrect. Agency disclosure is generally required at the first meaningful contact with either buyer or seller.
10. (2) Environmental legislation that funds federal money for the cleaning up of toxic waste sites; also called the Superfund.
- 11 (4) Brownfields legislation guidelines give individual states the authority to determine how to clean up defunct and derelict toxic industrial sites.
12. (4) Latent defects are hidden structural defects that can't be discovered by ordinary inspection. These defects can potentially threaten the soundness or safety of the property. Caveat emptor means "buyer beware," but with seller property disclosure laws that kind of thinking is unfair and unacceptable.
13. (3) CERCLA is also known as the Superfund. HUD enforces fair housing laws; Regulation Z is legislation that requires lender disclosure of cost of credit; & Title VIII is fair housing legislation.
14. (4) The buyer's agent has an ethical duty to tell the buyer everything he or she knows that relates to the decision-making process unless the disclosure violates the law, such as the racial composition of a neighborhood.

PROPERTY CONDITION DISCLOSURE FORM REPORT (SAMPLE SPECIMEN ONLY)

**STATE OF CONNECTICUT
DEPARTMENT OF CONSUMER PROTECTION
450 Columbus Blvd, Suite 901 ♦ Hartford, CT 06103**



RESIDENTIAL PROPERTY CONDITION DISCLOSURE REPORT

The Uniform Property Condition Disclosure Act (Connecticut General Statutes Section 20-327b) requires the seller of residential property to provide this disclosure to the prospective purchaser prior to the prospective purchaser's execution of any binder, contract to purchase, option, or lease containing a purchase option. These provisions apply to the transfer of residential real property of four dwelling units or less, including cooperatives and condominiums, made with or without the assistance of a licensed broker or salesperson. The seller will be required to credit the purchaser with the sum of \$500 at closing if the seller fails to furnish this report (Connecticut General Statutes Section 20-327c).

INSTRUCTIONS TO SELLERS:

1. You **must** answer **all** questions to the best of your knowledge.
2. You are required to identify and disclose any problems regarding the subject property.
3. **Your real estate licensee cannot complete this form on your behalf.**
4. "UNK" means Unknown, "N/A" means Not Applicable.
5. If you need additional space to complete any answer or explanation, attach additional page(s) to this form. Include subject property address, seller's name and the date.

Pursuant to the Uniform Property Condition Disclosure Act, the seller is obligated to answer the following questions and to disclose herein any knowledge of any problem regarding the following:

A. SUBJECT PROPERTY

- 1) Name of seller(s): _____

- 2) Street address, municipality, zip code: _____

YES NO UNK N/A B. GENERAL INFORMATION

- 3) What year was the structure built? _____
- 4) How long have you occupied the property? _____ If not applicable, indicate with N/A.
- 5) Does anyone else claim to own any part of your property, including, but not limited to, any encroachments? If yes, explain: _____

- 6) Does anyone other than you have or claim to have any right to use any part of your property, including, but not limited to, any easement or right of way? If yes, explain: _____

- 7) Is the property in a flood hazard area or an inland wetlands area? If yes, explain: _____

Seller Initials _____ Buyer Initials _____ Revised 08/2018

PROPERTY CONDITION DISCLOSURE FORM REPORT (SAMPLE PAGE 2 OF 7)

YES	NO	UNK	N/A		
				B. GENERAL INFORMATION (Continued)	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	8) Do you have any reason to believe that the municipality in which the subject property is located may impose any assessment for purposes such as sewer installation, sewer improvements, water main installation, water main improvements, sidewalks or other improvements? If yes, explain: _____ _____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	9) Is the property located in a municipally designated village district, municipally designated historic district, or listed on the National Register of Historic Places? If yes, explain: _____ _____	
				Note: Information concerning village districts and historic districts may be obtained from the municipality's village district commission, if applicable.	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	10) Is the property located in a special tax district? If yes, explain: _____ _____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	11) Is the property subject to any type of land use restrictions, other than those contained within the property's chain of title or that are necessary to comply with state laws or municipal zoning? If yes, explain: _____ _____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	12) Is the property located in a common interest community? If yes, is it subject to any community or association dues or fees? Please explain: _____ _____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	13) Do you have any knowledge of prior or pending litigation, government agency or administrative actions, orders or liens on the property related to the release of any hazardous substance? If yes, explain: _____ _____	
				C. LEASED EQUIPMENT	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	14) Does the property include any leased or rented equipment that would necessitate or oblige either of the following: the assignment or transfer of the lease or rental agreement(s) to the buyer or the replacement or substitution of the equipment by the buyer? If yes, indicate by checking all items that apply:	
				<input type="checkbox"/> Propane fuel tank	<input type="checkbox"/> Water treatment system
				<input type="checkbox"/> Water heater	<input type="checkbox"/> Solar devices
				<input type="checkbox"/> Security alarm system	<input type="checkbox"/> Major appliances
				<input type="checkbox"/> Fire alarm system	<input type="checkbox"/> Other _____
				<input type="checkbox"/> Satellite dish antenna	
Property Address: _____				Seller Initials _____	Buyer Initials _____
				Page 2 of 7	

PROPERTY CONDITION DISCLOSURE FORM REPORT (SAMPLE PAGE 3 OF 7)

YES	NO	UNK	N/A	
				D. MECHANICAL/ UTILITY SYSTEMS
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	15) Fuel type? _____ Are you aware of any heating system problem? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	16) Hot water heater type? _____ Age: _____ Are you aware of any hot water problems? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	17) Is there an underground storage tank? If yes, list the age of tank _____ and location: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	18) Are you aware of any problems with the underground storage tank? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	19) During the time you have owned the property, has there ever been an underground storage tank located on the property? If yes, has it been removed? <input type="checkbox"/> Yes <input type="checkbox"/> No If yes, what was the date of removal _____ and what was the name and address of the person or business who removed such underground storage tank? _____ _____ Provide any and all written documentation of such removal within your control or possession by attaching a copy of such documentation to this form.
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	20) Air conditioning type? _____ Are you aware of any air conditioning problems? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	21) Plumbing system problems? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	22) Electrical system problems? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	23) Electronic security system problems? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	24) Are there carbon monoxide or smoke detectors located in the dwelling on the property? If yes, state the number of detectors _____ and whether there have been problems with such detectors: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	25) Fire sprinkler system problems? If yes, explain: _____ _____
Property Address: _____ Seller Initials _____ Buyer Initials _____ Page 3 of 7				

PROPERTY CONDITION DISCLOSURE FORM REPORT (SAMPLE PAGE 4 OF 7)

YES	NO	UNK	N/A	
				E. WATER SYSTEM
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	26) Domestic water system type: <input type="checkbox"/> Public; <input type="checkbox"/> Private well; Other _____
27) If public water:				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a) Is there a separate expense/fee for water usage? If yes, is the expense/fee for water usage flat or metered? _____ Provide the amount of the expense/fee _____ and explain: _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b) Are there unpaid water charges? If yes, state amount unpaid: _____
28) If private well:				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Has the well water been tested for contaminants/volatile organic compounds? If yes, attach a copy of the report. If no report is available, provide name of entity that performed testing and describe results of such testing: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	If public water or private well: Are you aware of any problems with the well or with the water quality, quantity, recovery, or pressure? If yes, explain: _____ _____
				F. SEWAGE DISPOSAL SYSTEM
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	29) Sewage disposal system type: <input type="checkbox"/> Public; <input type="checkbox"/> Septic; <input type="checkbox"/> Cesspool; Other: _____
30) If public sewer:				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a) Is there a separate charge made for sewer use? If yes, is it flat or metered? _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b) If it is a flat amount, state amount _____ and due dates: _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	c) Are there any unpaid sewer charges? If yes, state the amount: _____
31) If private:				
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	a) Name of service company: _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	b) Date last pumped: _____ Frequency of pumping during ownership: _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	c) For any sewage system, are there problems? If yes, explain: _____ _____
Property Address: _____ Seller Initials _____ Buyer Initials _____ Page 4 of 7				

PROPERTY CONDITION DISCLOSURE FORM REPORT (SAMPLE PAGE 5 OF 7)

YES	NO	UNK	N/A	G. ASBESTOS/ LEAD	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	32) Are asbestos insulation or building materials present? If yes, location:	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	33) Is lead paint present? If yes, location:	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	34) Is lead plumbing present? If yes, location:	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		_____
YES	NO	UNK	N/A	H. BUILDING/ STRUCTURE/ IMPROVEMENTS	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	35) Is the foundation made of concrete? If no, explain:	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	36) Foundation/slab problems or settling? If yes, explain:	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	37) Basement water seepage/dampness? If yes, explain amount, frequency and location:	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	38) Sump pump problems? If yes, explain:	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	39) Do you have knowledge of any testing or inspection done by a licensed professional related to a foundation on the property? If yes, attach a copy of the report. If no report is available, provide name of entity that performed testing and describe results of such testing:	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	40) Do you have knowledge of any repairs related to a foundation on the property? If yes, explain:	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	41) Roof type: _____; Age: _____	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	42) Roof leaks? If yes, explain:	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	43) Exterior siding problems? If yes, explain:	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	44) Chimney, fireplace, wood or coal stove problems? If yes, explain:	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	45) Patio/deck problems? If yes, explain:	_____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		_____

Property Address: _____ Seller Initials _____ Buyer Initials _____ Page 5 of 7

PROPERTY CONDITION DISCLOSURE FORM REPORT (SAMPLE PAGE 6 OF 7)

YES	NO	UNK	N/A	
				H. BUILDING/ STRUCTURE/ IMPROVEMENTS (Continued)
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	46) If patio/deck is constructed of wood, is the wood treated or untreated? _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	47) Driveway problems? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	48) Water drainage problems? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	49) Interior floor, wall and/or ceiling problems? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	50) Fire and/or smoke damage? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	51) Termite, insect, rodent or pest infestation problems? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	52) Rot or water damage problems? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	53) Is the structure(s) insulated? If yes, type: _____; location: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	54) Has a test for radon been performed? If yes, attach copy of the report. If no report is available, provide the name of entity that performed the testing and describe the results of such testing: _____ _____ _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	55) Is there a radon control system in place? If yes, explain: _____ _____
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	56) Has a radon control system been in place in the previous 12 months? If yes, explain: _____ _____ _____
<p>The seller should attach additional pages, if necessary, to further explain any item(s) above. Indicate here the number of additional pages attached: _____</p>				
<p><i>Questions or Comments? Consumer Problems? Visit the Department of Consumer Protection website at: www.ct.gov/dcp</i></p>				
<p>Property Address: _____ Seller Initials _____ Buyer Initials _____ Page 6 of 7</p>				

PROPERTY CONDITION DISCLOSURE FORM REPORT (SAMPLE PAGE 7 OF 7)

IMPORTANT INFORMATION

(A) Responsibilities of Real Estate Brokers

This report in no way relieves a real estate broker of his or her obligation under the provisions of section 20-328-5a of the Regulations of Connecticut State Agencies to disclose any material facts. Failure to do so could result in punitive action taken against the broker, such as fines, suspension or revocation of license.

(B) Statements Not to Constitute a Warranty

Any representations made by the seller on the written residential property condition disclosure report shall not constitute a warranty to the buyer.

(C) Nature of Disclosure Report

This Residential Property Condition Disclosure Report is not a substitute for inspections, tests, and other methods of determining the physical condition of the property.

(D) Information on the Residence of Convicted Felons

Information concerning the residence address of a person convicted of a crime may be available from law enforcement agencies or the Department of Public Safety.

(E) Building Permits and Certificates of Occupancy

Prospective buyers should consult with the municipal building official in the municipality in which the property is located to confirm that building permits and certificates of occupancy have been issued for work on the property.

(F) Home Inspection

Buyers should have the property inspected by a licensed home inspector.

(G) Concrete Foundation

Prospective buyers may have a concrete foundation inspected by a licensed professional engineer who is a structural engineer for deterioration of the foundation due to the presence of pyrrhotite.

(H) Buyer's Certification

The buyer is urged to carefully inspect the property and, if desired, to have the property inspected by an expert. The buyer understands that there are areas of the property for which the seller has no knowledge and this disclosure statement does not encompass those areas. The buyer also acknowledges that the buyer has read and received a signed copy of this statement from the seller or seller's agent.

Date _____ Buyer _____
Signature _____ Print Name _____

Date _____ Buyer _____
Signature _____ Print Name _____

(I) Seller's Certification

To the extent of the seller(s) knowledge as a property owner, the seller acknowledges that the information contained above is true and accurate for those areas of the property listed. In the event a real estate broker or salesperson is utilized, the seller authorizes the brokers or salespersons to provide the above information to prospective buyers, selling agents or buyer's agents.

Date _____ Seller _____
Signature _____ Print Name _____

Date _____ Seller _____
Signature _____ Print Name _____

Property Address: _____ Seller Initials _____ Buyer Initials _____ Page 7 of 7

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