### VACANT LAND/LOT SELLER ADVISORY





## WHEN IN DOUBT - DISCLOSE!



Sellers are obligated by law to disclose all known material (important) facts about the property to the buyer. Arizona law requires that you disclose material facts about the property whether or not you are asked by the buyer or a real estate agent, or when asked to complete a disclosure form. There are also some very specific seller disclosures that you are required by statute to make. Additionally, you may be required to complete and record an Affidavit of Disclosure if selling property in an unincorporated area of a county.

"...you have a duty to disclose the information, regardless of whether or not you consider the information material."

If the buyer asks you about an aspect of the property, you have a duty to disclose the information, regardless of whether or not you consider the information material. You also have a legal duty to disclose facts when disclosure is necessary to prevent a previous statement from being misleading or a misrepresentation: for example, if something changes. However, a seller does not generally have a legal obligation to correct defects in the property, as long as the defects are disclosed. Any correction of the defects is a matter of contract negotiation between you and the buyer.

If you do not make the legally required disclosures, you may be subject to civil liability. Under certain circumstances, nondisclosure of a fact is the same as saying that the fact does not exist. Therefore, nondisclosure may be given the same legal effect as fraud.

The Arizona Association of REALTORS® Vacant Land/Lot Seller's Property Disclosure Statement ("SPDS") is designed to assist you in making these legally required disclosures and to avoid inadvertent nondisclosures of material facts.

You should complete the SPDS by answering all questions as truthfully and as fully as possible. Attach copies of any available supporting documentation to insure that you are disclosing accurate information. Also, use the blank lines to explain your answers. If you do not have the personal knowledge to answer a question, it is important not to guess — use the blank lines to explain the situation.

### The SPDS is divided into nine general sections:

- (1) Ownership and Property: This section asks for general information about the property, such as location and ownership, associations, assessments, title issues etc. Any seller should be able to answer most, if not all, of the questions in this section. If you have never seen the Property and you are unable to answer some of the questions, explain on Page 5 under ADDITIONAL EXPLANATIONS.
- (2) Access: Both legal and physical access is addressed.
- (3) Use: This section asks for information regarding the current and past use of the property.
- (4) **Utilities**: You are asked whether the property currently receives the listed utilities, and if so, to identify the provider.
- (5) Water: The water source and any known information about drinking water are addressed. Additionally, the section asks for information on any irrigation rights or other water-related issues pertaining to the property.
- (6) Sewer/Waste Water Treatment: There are many questions dealing with the topic of sewer or wastewater treatment as a result of claims involving alleged misrepresentations concerning the availability of a sewer connection. If the property is served by an on-site wastewater treatment facility, e.g., a septic or alternative wastewater system, a variety of additional information is required.
- (7) Environmental Information: In addition to questions regarding environmental hazards, you are asked to disclose any issues relating to soil settlement/expansion, drainage/grade, erosion, and noise from the surrounding area including airport and traffic noise, and any odors or other nuisances.
- (8) Miscellaneous: This section deals with surveys, archeological features, endangered species, mineral rights, and mine shafts/tunnels or abandoned wells associated with the property.
- (9) Additional Explanations: These blank lines provide space for you to disclose any other important information concerning the property that might affect the buyer's decision-making process, the value of the property or its use, and to make any other necessary explanations.

Please note: By law, sellers are not obligated to disclose that the property is or has been: (1) the site of a natural death, suicide, homicide, or any other crime classified as a felony; (2) owned or occupied by a person exposed to HIV, or diagnosed as having AIDS or any other disease not known to be transmitted through common occupancy of real estate; or (3) located in the vicinity of a sex offender. However, the law does not protect a seller who makes an intentional misrepresentation. For example, if you are asked whether there has been a death on the property and you know that there was such a death, you should not answer "no" or "I don't know"; you should either answer truthfully or respond that you are not legally required to answer the question.

# ACANT LAND/LOT SELLER'S PROPERTY DISCLOSURE STATEMENT (SPDS) (To be completed by Seller)

Document updated: February 2008



The pre-printed portion of this form has been drafted by the Arizona Association of REALTORS®. Any change in the pre-printed language of this form must be made in a prominent manner. No representations are made as to the legal validity, adequacy and/or effects of any provision, including tax consequences thereof. If you desire legal, tax or other professional advice, please consult your attorney, tax advisor or professional consultant.



#### **MESSAGE TO THE SELLER:**

Sellers are obligated by law to disclose all known material (important) facts about the Property to the Buyer. The SPDS is designed to assist you in making these disclosures. If you know something important about the Property that is not addressed on the SPDS, add that information to the form. Prospective Buyers may rely on the information you provide.

INSTRUCTIONS: (1) Complete this form yourself. (2) Answer all questions truthfully and as fully as possible. (3) Attach all available supporting documentation. (4) Use explanation lines as necessary. (5) If you do not have the personal knowledge to answer a question, use the blank lines to explain. By signing below you acknowledge that the failure to disclose known material information about the Property may result in liability.

#### **MESSAGE TO THE BUYER:**

OWNERSHIP AND PROPERTY

Although Sellers are obligated to disclose all known material (important) facts about the Property, there are likely facts about the Property that the Sellers do not know. Therefore, it is important that you take an active role in obtaining information about the Property.

INSTRUCTIONS: (1) Review this form and any attachments carefully. (2) Verify all important information. (3) Ask about any incomplete or inadequate responses. (4) Inquire about any concerns not addressed on the SPDS. (5) Review all other applicable documents, such as CC&R's, association bylaws, rules, and the title report or commitment. (6) Obtain professional inspections of the Property. (7) Investigate the surrounding area.

THE FOLLOWING ARE REPRESENTATIONS OF THE SELLER(S) AND ARE NOT VERIFIED BY THE BROKER(S) OR AGENT(S).

1.	THIS	DISCLO	SURE CONCERNS THE FOLLOWING REAL PROPERTY:
2.	×	11	
3.	COUN	ITY:	TAX PARCEL NUMBER:
4.	ZONIN	IG:	LEGAL OWNER OF PROPERTY:
5.	DATE	PURCH	IASED OR ACQUIRED:
6.	How d	lid you a	cquire the Property? Purchase Inheritance Foreclosure Gift Other:
7.	Is the	Property	located in an unincorporated area of the county?   Yes   No
8.	If yes,	and fiv	e or fewer parcels of land other than subdivided land are being transferred, the Seller must furnish the Buyer
			Affidavit of Disclosure in the form required by law.
0.	To you	ur knowl	edge, is the Property within a subdivision approved by the Arizona Department of Real Estate?
			a copy of the Subdivision Public Report.
2.	Is the	legal ow	mer(s) of the Property a foreign person or a non-resident alien pursuant to the Foreign Investment in Real Property
			TA)? Yes No If yes, consult a tax advisor; mandatory withholding may apply.
4.	Does t	the Prop	erty include any leased land?   Yes   No
			nd: State Federal Privately owned Other:
7.	Expira	tion date	es are leased? (Attach a copy of the lease.)
8.	Is the	Property	currently leased to a tenant? Yes No
			on date of current lease: (Attach a copy of the lease.)
			ole deposits or prepaid rents are being held, by whom and how much? Explain:
1.	**************************************		
	YES	NO	
22.			Have you entered into any agreement to transfer your interest in the Property in any way, including lease renewals
23.			or options to purchase? Explain:
24.			To your knowledge, is the Property subject to Covenants, Conditions and Restrictions or deed restrictions?
25.			Explain:



Initials>

	Vacar	nt Land	d/Lot Seller's Property Disclosure Statement (SPDS) >>
	YES	NO	
26.			Are you aware of any association(s) governing this Property?
27.		25	If yes, provide contact(s) information: Name: Phone #:
28.			If yes, are there any fees? How much? \$ How often?
29.			Are you aware of any assessments affecting this Property? (Check all that apply):
30.	201100	50 m	☐ Association assessment ☐ Road maintenance ☐ Sewer ☐ Water ☐ Electric ☐ Other
31.			If yes, the approximate balance: \$
32.			Are you aware of any proposed assessment(s)?
33.			If yes, explain:
34.			Are you aware of any pending or anticipated disputes or litigation regarding the Property or the association(s)?
35.			Explain:
36.			Are you aware of any of the following recorded against the Property? (Check all that apply):
37.			☐ Judgment liens ☐ Tax liens ☐ Other non-consensual liens
38.			Explain:
39.			Are you aware of any title issues affecting this Property? (Check all that apply):
40.			☐ Recorded easements ☐ Use restrictions ☐ Lot line disputes ☐ Encroachments
41.			☐ Unrecorded easements ☐ Use permits ☐ Conservation easement ☐ Other
42.			Explain:
43.			Are you aware of any pending or anticipated eminent domain or condemnation proceedings regarding the Property?
44.			Explain:
45.			Are you aware of any development, impact, or similar fees regarding the Property?
46.			Explain:
	ACCE	SS	
	YES	NO	
47.			To your knowledge, is there legal access to the Property?
48.			To your knowledge, is there physical access to the Property?
49.			To your knowledge, is the physical and legal access the same?
50.			To your knowledge, is the road/street access to the Property maintained by:   County  City  Homeowners' association
51.			☐ Privately ☐ Not maintained Explain:
52.			Are you aware of any problems with legal or physical access to the Property?
53.			Explain:
54.			Are you aware of any public or private use paths or roadways on or across the Property?
55.		/	Explain:
	USE		
56.	\Mbat is	the cu	rrent use of the Property?
57.			rrent use of the Property?s of the Property are you aware of?s
57.	vviiai p	illoi use	s of the Property are you aware or:
	YES	NO	
58.			To your knowledge, does the current use conform with current zoning?
59.			Are you aware of any improvements on the Property?
60.			Explain:
61.			Are you aware of any crops being grown on the Property?
62.			If yes, are the crops $\ \square$ Owner operated $\ \square$ Tenant operated
63.			If yes, who has the right to harvest the crops and for what period of time? Explain:
64.			· ·
65.			Are you aware of any livestock on the Property?
66.			If yes, are the livestock $\ \square$ Owner operated $\ \square$ Tenant operated $\ \square$ Open range

SAMPLE BUYER BUYER

>>

### Vacant Land/Lot Seller's Property Disclosure Statement (SPDS) >>

YES	e follow NO	ving services available to the Property? PROVIDER
		Electricity:
		Fuel: Natural gas Propane Oil
		Cable:
		Telephone:
		Garbage Collection:
H		
		Are there any alternate power systems installed on the Property? If yes, indicate type (Check all that apply):
		☐ Solar ☐ Wind ☐ Generator ☐ Other
		If yes, are you aware of any past or present problems with the alternate power system(s)? Explain:
WATE	ER	
YES	NO	
		Is there a domestic water source to the Property?
		If yes, water source is: Public Private water company Private well Shared well Hauled w
		If water source is a private or shared well, or water can be used from springs, streams, lakes, ponds, reservoirs,
		canyons, or ravines, complete and attach the DOMESTIC WATER WELL/ WATER USE ADDENDUM.
		If water source is public, a private water company, or hauled water, Provider is:
		Are you aware of any past or present drinking water problems? Explain:
		To your knowledge, is the Property in one of the following districts or areas? (Check all that apply):
		☐ Central Arizona Project (CAP) District ☐ Irrigation Non-Expansion Area ☐ Active Management Area
		Central Arizona Groundwater Replenishment District Other:
		Are you aware of any grandfathered water rights associated with the Property?
		If yes, ☐ Type I ☐ Irrigation
		Grandfathered Water Rights Certificate #
		What is the allotment? acre feet
		Number of irrigated acres
		To your knowledge, does the Property have surface water rights? If yes, Certificate #
The same of the sa		
- 0		STEWATER TREATMENT
YES	NO	NOTICE TO BUYER: CONTACT THE APPROPRIATE GOVERNMENTAL OR PRIVATE PROVIDER REGARD
	1	THE AVAILABILITY AND COST OF SEWER CONNECTION.
		Type of sewer: Public Private Planned and approved sewer system, but not connected None
	1	Name of Provider:
		Is the Property served by an On-Site Wastewater Treatment Facility? (If no, skip to line 110.)
		If yes, the Facility is:   Conventional septic system   Alternative system; type:
		Walter Fig. 18th in the alternative evolution in its event the heir even in all or developments and an alternative
		If the Facility is an alternative system, is it currently being serviced under a maintenance contract?
		If yes, name of contractor: Phone #:
		Approximate year Facility installed: (Attach copy of periods)
		Are you aware of any repairs or alterations made to this Facility since original installation?
		Explain:
		Approximate date of last Facility inspection and/or pumping of septic tank:

SAMPLE BUYER BUYER

	Vaca	nt Land	I/Lot Seller's Property Disclosure Statement (SPDS) >>
	YES	NO	
09.			Are you aware of any past or present problems with the Facility? Explain:
10.			Are you aware of any site/soil evaluation (percolation or other tests) having been performed on the Property?
11.			If yes, when and by whom?
12. 13.			NOTICE TO SELLER AND BUYER: THE ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY REQUIRES A PRE-TRANSFER INSPECTION OF ON-SITE WASTEWATER TREATMENT FACILITIES ON RE-SALE PROPERTIES.
	ENVI	RONM	ENTAL INFORMATION
	YES	NO	
14.			Are you aware of the presence of any of the following on the Property, past or present? (Check all that apply):
15.			☐ Asbestos ☐ Radon gas ☐ Mining operations ☐ Pesticides
16.			☐ Underground storage tanks ☐ Fuel/oil/chemical disposal or storage
17.			Explain:
18.			Are you aware of the presence of any of the following in close proximity to Property, past or present? (Check all that apply):
19.	-		☐ Asbestos ☐ Radon gas ☐ Pesticides ☐ Underground storage tanks
20.			☐ Fuel/oil/chemical disposal or storage ☐ Other:
21.			Explain:
22.			Are you aware if the Property is located within any of the following? (Check all that apply):
23.			☐ Superfund ☐ Water Quality Assurance Revolving Fund ("WQARF")
24.			Comprehensive Environmental Response Compensation and Liability Act ("CERCLA")
25.			Are you aware of any environmental assessments or studies having been performed on the Property?
26.			If yes, was the study a (Check all that apply):   Phase II Phase II Phase III Other
27.			(Attach copies of the environmental assessment or study.)
28.			Are you aware of any past or present issues or problems with any of the following on the Property? (Check all that apply):
29.			☐ Soil settlement/expansion ☐ Drainage/grade ☐ Erosion ☐ Fissures ☐ Other
30.			Explain:
31. 32. 33.			NOTICE TO BUYER: THE ARIZONA DEPARTMENT OF REAL ESTATE PROVIDES EARTH FISSURE MAPS TO ANY MEMBER OF THE PUBLIC IN PRINTED OR ELECTRONIC FORMAT UPON REQUEST AND ON ITS WEBSITE AT www.azre.gov.
34.			Are you aware of any past or present issues or problems in close proximity to the Property related to any of
35.		No.	the following? (Check all that apply):
36.		-	☐ Soil settlement/expansion ☐ Drainage/grade ☐ Erosion ☐ Other
37.		-	Explain:
38.			Are you aware if the Property is subject to any present or proposed effects of any of the following? (Check all that apply):
39.	1		☐ Airport noise ☐ Traffic noise ☐ Rail line noise ☐ Neighborhood noise ☐ Toxic waste disposal
40.			Odors Nuisances Sand/gravel operations Other
	1		
41.			Explain: Are you aware of any portion of the Property being situated on or in close proximity to a closed landfill?
42.			사용하는 경우는 사용하는 사용하는 사용하는 사용하는 사용하는 사용하는 사용하는 사용하
43.			Explain:
44.			Are you aware of any conditions that make the Property subject to any of the following ordinances or regulations?
45.			(Check all that apply):
46.			☐ Hillside ☐ Erosion control ☐ Native plant/animal species preservation ☐ Natural area open space requirements
47.	2000	-	☐ Wetlands area ☐ Critical habitat
48.			Are you aware if the Property is located in the vicinity of an airport (military, public, or private)?
19.			Explain:
50. 51. 52. 53. 54.			NOTICE TO SELLER AND BUYER: PURSUANT TO ARIZONA LAW A SELLER SHALL PROVIDE A WRITTEN DISCLOSURE TO THE BUYER IF THE PROPERTY IS LOCATED IN TERRITORY IN THE VICINITY OF A MILITARY AIRPORT OR ANCILLARY MILITARY FACILITY AS DELINEATED ON A MAP PREPARED BY THE STATE LAND DEPARTMENT. THE DEPARTMENT OF REAL ESTATE ALSO IS OBLIGATED TO RECORD A DOCUMENT AT THE COUNTY RECORDER'S OFFICE DISCLOSING IF THE PROPERTY IS UNDER RESTRICTED AIR SPACE AND TO MAINTAIN THE STATE LAND DEPARTMENT MILITARY AIRPORT MAP ON ITS WEBSITE AT www.azre.gov.
56.			Are you aware if any portion of the Property is in a flood way or flood plain?
57.			Explain:
58.			Are you aware of any portion of the Property ever having been flooded?
59.			Explain:
			10)

SAMPLE BUYER BUYER

YES		NEOUS
ILS	NO	
		Are you aware of any survey of the Property by a licensed surveyor having been performed? If yes, when and by whom? (Attach surveyor's plat map)
		If yes, is the survey recorded?
		Are you aware of any archeological features or artifacts on the Property?
		Explain:
		Are you aware of any archeological study having been performed on the Property?
		If yes, when and by whom?
		Are you aware of any endangered species on the Property? Explain:
		Are you aware of any endangered species studies having been performed on the Property? If yes, when and
		by whom?
		Are you aware of any mineral rights that transfer with the title? If yes, explain:
		Are you aware of any open mine shafts/tunnels or abandoned wells on the Property?
		If yes, describe location:
		(Illustrate location on plat map, if attached.)
ADDI	TION	AL EXPLANATIONS
YES	NO	
		Is there any other information concerning the Property that might affect the decision of a buyer to buy, or affect the
	1	value of the Property, or affect the Property's use by a buyer? Explain:
		value of the Property, of affect the Property's use by a buyer: Explain.
<u>~</u>		
0) (V		
0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0		
0 0		
SELLE as of tl	ER CER	TIFICATION: Seller certifies that the information contained herein is true and complete to the best of Seller's knowledge signed. Seller agrees that any changes in the information contained herein will be disclosed in writing by Seller to Buyer of Escrow, including any information that may be revealed by subsequent inspections.
SELLE as of the	ER CER he date o Close	TIFICATION: Seller certifies that the information contained herein is true and complete to the best of Seller's knowledge signed. Seller agrees that any changes in the information contained herein will be disclosed in writing by Seller to Buyer
SELLE as of the prior to	ER CER he date o Close	TIFICATION: Seller certifies that the information contained herein is true and complete to the best of Seller's knowledge signed. Seller agrees that any changes in the information contained herein will be disclosed in writing by Seller to Buyer of Escrow, including any information that may be revealed by subsequent inspections.  SAMPLE  MO/DA/YR  A SELLER'S SIGNATURE  MO/DA/YR
SELLE as of the prior to	ER CER he date o Close	TIFICATION: Seller certifies that the information contained herein is true and complete to the best of Seller's knowledge signed. Seller agrees that any changes in the information contained herein will be disclosed in writing by Seller to Buyer of Escrow, including any information that may be revealed by subsequent inspections.  SAMPLE  MO/DA/YR  A SELLER'S SIGNATURE  MO/DA/YR  MO/DA/YR
SELLE as of the prior to SELL Review	ER CER he date o Close LER'S S wed and	TIFICATION: Seller certifies that the information contained herein is true and complete to the best of Seller's knowledge signed. Seller agrees that any changes in the information contained herein will be disclosed in writing by Seller to Buyer of Escrow, including any information that may be revealed by subsequent inspections.  SAMPLE  MO/DA/YR  A SELLER'S SIGNATURE  MO/DA/YR
SELLE as of ti prior to  SELLE Review Review NOTIO (1) the to HIV	ER CER he date of Close wed and to the Formula to t	TIFICATION: Seller certifies that the information contained herein is true and complete to the best of Seller's knowledge signed. Seller agrees that any changes in the information contained herein will be disclosed in writing by Seller to Buyer of Escrow, including any information that may be revealed by subsequent inspections.  SAMPLE  MO/DA/YR  A SELLER'S SIGNATURE  MO/DA/YR  SELLER  MO/DA/YR  KNOWLEDGMENT: Buyer acknowledges that the information contained herein is based only on the Seller's actual d is not a warranty of any kind. Buyer acknowledges Buyer's obligation to investigate any material (important) facts in
SELLE as of the prior to a second sec	ER CER he date of Close wed and to the Formula to t	TIFICATION: Seller certifies that the information contained herein is true and complete to the best of Seller's knowledge signed. Seller agrees that any changes in the information contained herein will be disclosed in writing by Seller to Buyer of Escrow, including any information that may be revealed by subsequent inspections.  MAPLE  MO/DA/YR  SELLER  MO/DA/YR  SELLER  MO/DA/YR  KNOWLEDGMENT: Buyer acknowledges that the information contained herein is based only on the Seller's actual dis not a warranty of any kind. Buyer acknowledges Buyer's obligation to investigate any material (important) facts in Property. Buyer is encouraged to obtain Property inspections by professional independent third parties.  For acknowledges that by law, Sellers, Lessors and Brokers are not obligated to disclose that the Property is or has been: a natural death, suicide, homicide, or any other crime classified as a felony; (2) owned or occupied by a person exposed osed as having AIDS or any other disease not known to be transmitted through common occupancy of real estate; or
SELLE as of the prior to a second sec	ER CER he date of Close wed and to the Formula to t	TIFICATION: Seller certifies that the information contained herein is true and complete to the best of Seller's knowledge signed. Seller agrees that any changes in the information contained herein will be disclosed in writing by Seller to Buyer of Escrow, including any information that may be revealed by subsequent inspections.    SAMPLE