

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.**

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.



DISCLOSURE STATEMENT (SPDS) (TO BE COMPLETED BY SELLER)



The printed portion of this FORM has been approved by the Arizona Association of Realtors®. This is NOT intended to be a binding contract.

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:

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).

OWNERSHIP AND PROPERTY

1. THIS DISCLOSURE CONCERNS THE FOLLOWING REAL PROPERTY: LOT 558 in the RANCH
 2. 727 W. LEE BLVD, PRESCOTT, AZ 86303
 3. COUNTY: YAVAPAI TAX PARCEL NUMBER: 112-01-058
 4. ZONING: RESIDENTIAL LEGAL OWNER OF PROPERTY: ANCHA REVOCABLE TRUST
 5. DATE PURCHASED OR ACQUIRED: _____
 6. How did you acquire 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 five or fewer parcels of land other than subdivided land are being transferred, the Seller must furnish the Buyer with a written Affidavit of Disclosure in the form required by law.**
 9. _____
 10. To your knowledge, is the Property within a subdivision approved by the Arizona Department of Real Estate? Yes No
 11. **If yes, attach a copy of the Subdivision Public Report.**
 12. Is the legal owner(s) of the Property a foreign person or a non-resident alien pursuant to the Foreign Investment in Real Property Tax Act (FIRPTA)? Yes No **If yes, consult a tax advisor; mandatory withholding may apply.**
 13. Does the Property include any leased land? Yes No
 14. If yes, is the land: State Federal Privately owned Other: _____
 15. How many acres are leased? _____
 16. Expiration date of current lease? _____ (Attach a copy of the lease.)
 17. Is the Property currently leased to a tenant? Yes No
 18. If yes, expiration date of current lease: _____ (Attach a copy of the lease.)
 19. If any refundable deposits or prepaid rents are being held, by whom and how much? Explain: _____
 20. _____
 21. _____
- | | | | |
|-----|-------------------------------------|-------------------------------------|---|
| | YES | NO | |
| 22. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Have you entered into any agreement to transfer your interest in the Property in any way, including lease renewals or options to purchase? Explain: _____ |
| 23. | | | |
| 24. | <input checked="" type="checkbox"/> | <input type="checkbox"/> | To your knowledge, is the Property subject to Covenants, Conditions and Restrictions or deed restrictions? Explain: <u>CUSTOM HOMES, MIN, SQ. FT.</u> |
| 25. | | | |

- YES NO
26. Are you aware of any association(s) governing this Property?
If yes, provide contact(s) information: Name: THE PANCH HOA Phone #: 776-4479
27. If yes, are there any fees? How much? \$ 125 How often? YEARLY
28. Are you aware of any assessments affecting this Property? (Check all that apply):
 Association assessment Road maintenance Sewer Water Electric Other _____
29. If yes, the approximate balance: \$ _____
30. Are you aware of any proposed assessment(s)?
31. If yes, explain: _____
32. Are you aware of any pending or anticipated disputes or litigation regarding the Property or the association(s)?
33. Explain: _____
34. Are you aware of any of the following recorded against the Property? (Check all that apply):
 Judgement liens Tax liens Other non-consensual liens
35. Explain: _____
36. Are you aware of any title issues affecting this Property? (Check all that apply):
 Recorded easements Use restrictions Lot line disputes Encroachments
37. Unrecorded easements Use permits Conservation easement Other _____
38. Explain: _____
39. Are you aware of any pending or anticipated eminent domain or condemnation proceedings regarding the Property?
40. Explain: _____
41. Are you aware of any development, impact, or similar fees regarding the Property?
42. Explain: _____

ACCESS

- YES NO
43. To your knowledge, is there legal access to the Property?
44. To your knowledge, is there physical access to the Property?
45. To your knowledge, is the physical and legal access the same?
46. To your knowledge, is the road/street access to the Property maintained by: County City Homeowners' association
 Privately Not maintained Explain: _____
47. Are you aware of any problems with legal or physical access to the Property?
48. Explain: _____
49. Are you aware of any public or private use paths or roadways on or across the Property?
50. Explain: _____

USE

51. What is the current use of the Property? VACANT LAND
52. What prior uses of the Property are you aware of? _____
- YES NO
53. To your knowledge, does the current use conform with current zoning?
54. Are you aware of any improvements on the Property?
55. Explain: _____
56. Are you aware of any crops being grown on the Property?
57. If yes, are the crops Owner operated Tenant operated
58. If yes, who has the right to harvest the crops and for what period of time? Explain: _____
59. Are you aware of any livestock on the Property?
60. If yes, are the livestock Owner operated Tenant operated Open range

UTILITIES

67. **Are the following services available to the Property?**

	YES	NO		PROVIDER
68.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Electricity	_____
69.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Fuel <input type="checkbox"/> Natural gas <input checked="" type="checkbox"/> Propane <input type="checkbox"/> Oil	_____
70.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Cable	_____
71.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Telephone.....	_____
72.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Garbage collection.....	_____
73.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Fire.....	_____
74.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Are there any alternate power systems installed on the Property? If yes, indicate type (Check all that apply):	
75.			<input type="checkbox"/> Solar <input type="checkbox"/> Wind <input type="checkbox"/> Generator <input type="checkbox"/> Other _____	
76.			If yes, are you aware of any past or present problems with the alternate power system(s)? Explain: _____	
77.			_____	

WATER

	YES	NO		
78.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Is there a domestic water source to the Property?	
79.			If yes, water source is: <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private water company <input type="checkbox"/> Private well <input type="checkbox"/> Shared well <input type="checkbox"/> Hauled water	
80.			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.	
81.				
82.			If water source is public, a private water company, or hauled water, Provider is: _____	
83.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Are you aware of any past or present drinking water problems? Explain: _____	
84.			_____	
85.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	To your knowledge, is the Property in one of the following districts or areas? (Check all that apply):	
86.			<input type="checkbox"/> Central Arizona Project (CAP) District <input type="checkbox"/> Irrigation Non-Expansion Area <input type="checkbox"/> Active Management Area	
87.			<input type="checkbox"/> Central Arizona Groundwater Replenishment District <input type="checkbox"/> Other: _____	
88.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Are you aware of any grandfathered water rights associated with the Property?	
89.			If yes, <input type="checkbox"/> Type I <input type="checkbox"/> Type II <input type="checkbox"/> Irrigation	
90.			Grandfathered Water Rights Certificate # _____	
91.			What is the allotment? _____ acre feet	
92.			Number of irrigated acres _____	
93.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	To your knowledge, does the Property have surface water rights? If yes, Certificate # _____	

SEWER/WASTEWATER TREATMENT

	YES	NO		
94.			NOTICE TO BUYER: CONTACT THE APPROPRIATE GOVERNMENTAL OR PRIVATE PROVIDER REGARDING THE AVAILABILITY AND COST OF SEWER CONNECTION.	
95.				
96.			Type of sewer: <input checked="" type="checkbox"/> Public <input type="checkbox"/> Private <input type="checkbox"/> Planned and approved sewer system, but not connected <input type="checkbox"/> None	
97.			Name of Provider: _____	
98.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Is the Property served by an On-Site Wastewater Treatment Facility? (If no, skip to line 110.)	
99.			If yes, the Facility is: <input type="checkbox"/> Conventional septic system <input type="checkbox"/> Alternative system; type: _____	
100.			_____	
101.	<input type="checkbox"/>	<input type="checkbox"/>	If the Facility is an alternative system, is it currently being serviced under a maintenance contract?	
102.			If yes, name of contractor: _____ Phone #: _____	
103.			Approximate year Facility installed: _____ (Attach copy of permit)	
104.	<input type="checkbox"/>	<input type="checkbox"/>	Are you aware of any repairs or alterations made to this Facility since original installation?	
105.			Explain: _____	
106.			_____	
107.			Approximate date of last Facility inspection and/or pumping of septic tank: _____	
108.			_____	

- YES NO
109. Are you aware of any past or present problems with the Facility? Explain: _____
110. Are you aware of any site/soil evaluation (percolation or other tests) having been performed on the Property?
If yes, when and by whom? _____
111. _____
112. **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.**
113. _____

ENVIRONMENTAL INFORMATION

- YES NO
114. Are you aware of the presence of any of the following on the Property, past or present? (Check all that apply):
115. Asbestos Radon gas Mining operations Pesticides
116. Underground storage tanks Fuel/oil/chemical disposal or storage
117. Explain: _____
118. Are you aware of the presence of any of the following in close proximity to Property, past or present? (Check all that apply):
119. Asbestos Radon gas Pesticides Underground storage tanks
120. Fuel/oil/chemical disposal or storage Other: _____
121. Explain: _____
122. Are you aware if the Property is located within any of the following? (Check all that apply):
123. Superfund Water Quality Assurance Revolving Fund ("WQARF")
124. Comprehensive Environmental Response Compensation and Liability Act ("CERCLA")
125. Are you aware of any environmental assessments or studies having been performed on the Property?
126. If yes, was the study a (Check all that apply): Phase I Phase II Phase III Other _____
127. (Attach copies of the environmental assessment or study.)
128. Are you aware of any past or present issues or problems with any of the following on the Property? (Check all that apply):
129. Soil settlement/expansion Drainage/grade Erosion Fissures Other _____
130. Explain: _____
131. **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 WEB SITE
AT www.azre.gov.**
132. _____
133. _____
134. Are you aware of any past or present issues or problems in close proximity to the Property related to any of
the following? (Check all that apply):
135. Soil settlement/expansion Drainage/grade Erosion Other _____
136. Explain: _____
137. _____
138. Are you aware if the Property is subject to any present or proposed effects of any of the following? (Check all that apply):
139. Airport noise Traffic noise Rail line noise Neighborhood noise Toxic waste disposal
140. Odors Nuisances Sand/gravel operations Other _____
141. Explain: _____
142. Are you aware of any portion of the Property being situated on or in close proximity to a closed landfill?
143. Explain: _____
144. Are you aware of any conditions that make the Property subject to any of the following ordinances or regulations?
(Check all that apply):
145. Hillside Erosion control Native plant/animal species preservation Natural area open space requirements
146. Wetlands area Critical habitat
147. _____
148. Are you aware if the Property is located in the vicinity of an airport (military, public, or private)?
149. Explain: _____
150. **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.**
151. _____
152. _____
153. _____
154. _____
155. _____
156. Are you aware if any portion of the Property is in a flood way or flood plain?
157. Explain: _____
158. Are you aware of any portion of the Property ever having been flooded?
159. Explain: _____



Form VLSPDS 02/08 C

Initials: _____ / _____
BUYER BUYER

MISCELLANEOUS

- | | YES | NO | |
|------|--------------------------|-------------------------------------|--|
| 160. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | 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) |
| 161. | | | |
| 162. | <input type="checkbox"/> | <input type="checkbox"/> | If yes, is the survey recorded? |
| 163. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Are you aware of any archeological features or artifacts on the Property? |
| 164. | | | Explain: _____ |
| 165. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Are you aware of any archeological study having been performed on the Property? |
| 166. | | | If yes, when and by whom? _____ |
| 167. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Are you aware of any endangered species on the Property? Explain: _____ |
| 168. | | | |
| 169. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Are you aware of any endangered species studies having been performed on the Property? If yes, when and by whom? _____ |
| 170. | | | |
| 171. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Are you aware of any mineral rights that transfer with the title? If yes, explain: _____ |
| 172. | | | |
| 173. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Are you aware of any open mine shafts/tunnels or abandoned wells on the Property? |
| 174. | | | If yes, describe location: _____ |
| 175. | | | _____ (illustrate location on plat map, if attached.) |

ADDITIONAL EXPLANATIONS

- | | YES | NO | |
|------|--------------------------|-------------------------------------|---|
| 176. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | Is there any other information concerning the Property that might affect the decision of a buyer to buy, or affect the value of the Property, or affect the Property's use by a buyer? Explain: _____ |
| 177. | | | |
| 178. | | | _____ |
| 179. | | | _____ |
| 180. | | | _____ |
| 181. | | | _____ |
| 182. | | | _____ |
| 183. | | | _____ |
| 184. | | | _____ |
| 185. | | | _____ |
| 186. | | | _____ |
| 187. | | | _____ |
| 188. | | | _____ |

189. **SELLER CERTIFICATION:** Seller certifies that the information contained herein is true and complete to the best of Seller's knowledge as of the date signed. Seller agrees that any changes in the information contained herein will be disclosed in writing by Seller to Buyer prior to Close of Escrow, including any information that may be revealed by subsequent inspections.

192. Robert J. Ancho 2/26/08
 SELLER MO/DA/YR SELLER MO/DA/YR

193. **Reviewed and updated:** Initials: /
 SELLER SELLER MO/DA/YR

194. **BUYER'S ACKNOWLEDGEMENT:** Buyer acknowledges that the information contained herein is based only on the Seller's actual knowledge and is not a warranty of any kind. Buyer acknowledges Buyer's obligation to investigate any material (important) facts in regard to the Property. Buyer is encouraged to obtain Property inspections by professional independent third parties.

197. **NOTICE:** Buyer acknowledges that by law, Seller, Lessors and Brokers are not obligated to disclose that the Property is or has been:
 198. (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
 199. to HIV, diagnosed as having AIDS or any other disease not known to be transmitted through common occupancy of real estate; or
 200. (3) located in the vicinity of a sex offender.

201. **By signing below, Buyer acknowledges receipt only of this SPDS. If Buyer reasonably disapproves of any items provided**
 202. **herein, Buyer shall deliver to Seller written notice of the items disapproved as provided in the Contract.**

203. _____
 BUYER MO/DA/YR BUYER MO/DA/YR

Form VLSPDS 02/08 C	Initials: <u> / </u> BUYER BUYER
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