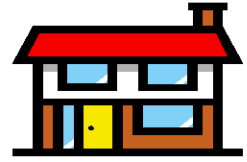


Connecticut Uniform Residential Property Condition Disclosure



Sellers are required to provide prospective purchasers with a property condition report in all residential real estate transactions (with few exceptions). The law applies to both "For Sale By Owner" (FSBO) and real estate agent assisted transactions.

COVERED PROPERTY

- Residential real estate containing one to four dwelling units.
- Transfers by sale, exchange, or lease with an option to buy.

TIMING

- Disclosure reports must be delivered by the seller to a prospective purchaser as soon as practical prior to any written offer to purchase, binder, contract, option, or lease containing a purchase option.
- A photocopy of the report signed by the purchaser must be attached to any written offers, binders, contracts, options, or leases containing a purchase option.
- The original copy of the report signed by both the seller and purchaser, must be attached to any purchase agreement.

ROLE OF SELLER

The responsibility for completing the form lies with the seller of the property. The disclosures are only required to be based on the seller's actual knowledge of the condition of the property. For each disclosure item on the form, the seller is required to respond yes, no or in some instances unknown. For selected questions, the seller must explain certain conditions. If the seller fails to furnish the report as required, the seller must credit the buyer \$300.00 at closing.

ROLE OF REAL ESTATE AGENT

Agents should advise the seller of the seller's responsibility to complete the form accurately. This law does not relieve agents of their obligation to disclose any material facts about the property.

ROLE OF BUYER

Seller's disclosures in the report do not constitute a warranty to the buyer. A buyer is urged to carefully inspect the property and to consider having the property inspected by an expert.

OBTAINING FORMS

The required property disclosure report form has been developed by the Department of Consumer Protection. Copies of the form can be obtained by calling the Department at 1-800-842-2649. Forms may also be obtained from local real estate agents. Also, Connecticut municipal town clerks and municipal libraries have copies of the form, which can be photocopied.

EXCLUSIONS

- Transfers from co-owner to co-owner.
- Transfers for no consideration to spouse, mother, father, brother, sister, child, grandparent, or grandchild.
- Transfers pursuant to a court order.
- Transfers of newly-constructed residential real property which carries an implied warranty pursuant to C.G.S. chapter 827.
- Transfers made by executors, administrators, trustees or conservators.
- Transfers by the federal government or federal quasi-governmental entity.
- Transfers by deed in lieu of foreclosure.
- Transfers by the state of Connecticut or any political subdivision.

Prepared by the Connecticut Department of Consumer Protection, the University of Connecticut's Center for Real Estate and Urban Economic Studies, and the Connecticut Association of REALTORS®.

The Connecticut Department of Consumer Protection has enforcement authority for this law. The information contained in this pamphlet is for information purposes only and is not to be considered legal advice. Specific questions should be addressed to a qualified attorney.

FREQUENTLY ASKED QUESTIONS REGARDING SELLER'S RESIDENTIAL PROPERTY CONDITION DISCLOSURE FORMS

1. *Does the form have to be completed by someone selling a condominium?*

Yes, the seller must answer all questions which relate to the unit being sold. Any questions which refer to the physical condition of a "Common Element" may be referred to the property owners association.

2. *Does the form have to be completed by someone selling a co-op?*

The Residential Property Condition Disclosure Form does not apply to Co-operatives because the co-operative owner is, in essence, a share holder in a corporation whose principal asset is a building. In return for stock in the corporation, the owner receives a proprietary lease granting occupancy of a specific unit. Therefore, because it is a lease it is not covered under this law.

3. *What will happen to the seller if he or she fails to give the form to the buyer before the buyer submits a written offer?*

The buyer will be entitled to a credit of \$300.00 at the closing from the seller.

4. *Where can an interested party obtain the form?*

The forms may be obtained from the Department of Consumer Protection, your local Town or City Clerk, your local library, your attorney and if you are a REALTOR®, from your local REALTOR® Board Office.

5. *How should the seller answer the questions if he or she happens to be an absentee seller who has not occupied the property for several years?*

The sellers have an obligation to answer the questions honestly and to the best of the seller's ability, disclosing the actual knowledge that they have concerning the property.

6. *Do sellers have to complete the forms if the purchase contract was executed by all parties prior to January 1, 1996, but has not closed?*

No, because the law did not go into effect until January 1, 1996, and it is not retroactive.

7. *Are the sellers responsible for providing the forms to persons who have been shown the sellers property prior to January 1, 1996, but have not yet made a written offer on it?*

Yes, because the law applies to contracts executed after January 1, 1996.

8. *What are the steps in using the forms?*

1. The seller must complete the form in its entirety to the best of the seller's knowledge.
2. The disclosure form may be copied and the seller should sign each individual copy.
3. If the seller hires an agent, the signed originals should be given to the seller's agent.
4. If any buyer expresses an interest in making an offer, the seller or his agent should provide the prospective buyer with one of the forms for the prospective buyer's signature in the event the buyer, wishes to present an offer to the seller.
5. If an offer is so made, the signed form shall be attached to the offer to purchase, binder or sales contract.
6. The seller should not accept any offers unless the offer is accompanied by a disclosure form signed by the buyer. Again, an original disclosure form with both sets of signatures should be attached to the original sales contract.

9. *Can a Real Estate Agent substitute their company's form for the State mandated form?*
No, you are mandated to use the State Form. If you are an agent, you may supplement the mandated form with additional information on a separate company form, subject to the sellers' consent.
10. *Can the agent for the buyer or the agent for the seller sign the disclosure form on behalf of their clients?*
No, the law requires actual signatures of buyers and sellers.
11. *How can the seller avoid having to credit the buyer with \$300.00 at the closing?*
The seller should make certain that any offer the seller accepts, has a completed Residential Property Condition Disclosure Form bearing the buyer's original signature.