

ARIZONA HOUSE OF REPRESENTATIVES  
Fifty-second Legislature – First Regular Session

**COMMITTEE ON ENERGY, ENVIRONMENT AND NATURAL RESOURCES**

Report of Regular Meeting  
Monday, March 9, 2015  
House Hearing Room 1 -- 2:00 p.m.

**Convened** 4:31 p.m.

**Recessed**

**Reconvened**

**Adjourned** 7:42 p.m.

**Members Present**

Mrs. Barton  
Mrs. Carter  
Mr. Clark  
Mr. Finchem  
Mr. Leach  
Mr. Saldate  
Ms. Steele  
Mr. Bowers, Vice-Chairman  
Mr. Pratt, Chairman

**Members Absent**

**Request to Speak**

Report – Attachment 1

**Presentations**

**Name**

None

**Organization**

**Attachments (Handouts)**

**Committee Action**

**Bill**

**Action**

**Vote**

**Attachments (Summaries,  
Amendments, Roll Call)**

SB1079 DPA

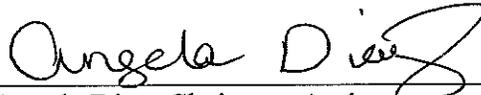
7-2-0-0

2, 3, 4

SB1465 DP

7-2-0-0

5, 6, 7, 8



Angela Diaz, Chairman Assistant

March 10, 2015

(Original attachments on file in the Office of the Chief Clerk; video archives available at <http://www.azleg.gov>)

# Information Registered on the Request to Speak System

---

*House Energy, Environment and Natural Resources  
(3/9/2015)*

## **SB1465, distributed energy generation systems; disclosure**

### **Testified in support:**

Marc Osborn, Arizona Prosperity Alliance; Steven Eddy, TUCSON ELECTRIC POWER COMPANY; Philip Bashaw, GRAND CANYON STATE ELECTRIC COOP ASSN; Spencer Kamps, HOME BUILDERS ASSOCIATION OF CENTRAL AZ; Michael Vargas, Government Affairs Representative, APS, AZ PUBLIC SERVICE COMPANY (APS)

### **Testified as opposed:**

Chet McGensy, representing self; Blanca Melgoza, representing self; Tom Corpron, representing self; John MacDonald, NRG ENERGY INC; solange whitehead, representing self

### **Support:**

Jeff Sandquist, TUCSON ELECTRIC POWER COMPANY; Tom Farley, Arizona Association Of Realtors; Scot Mussi, Arizona Free Enterprise Club; Manny Tarango, SALT RIVER PROJECT (SRP); Mike Huckins, GREATER PHOENIX CHAMBER OF COMMERCE; Robert Medler, TUCSON METROPOLITAN CHAMBER OF COMMERCE; Nicole LaSlavic, AZ ASSOCIATION OF REALTORS; Rip Wilson, Arizona Prosperity Alliance; Gary Yaquinto, AZ INVESTMENT COUNCIL; Helen Heiden, Arizona Chamber Of Commerce And Industry; Eric Emmert, East Valley Chambers Of Commerce Alliance ; James Candland, AZ PUBLIC SERVICE COMPANY (APS); Tom Dorn, East Valley Chambers Of Commerce Alliance ; Rob Dalager, AZ PUBLIC SERVICE COMPANY (APS); Rob Dalager, AZ PUBLIC SERVICE COMPANY (APS); Michael Vargas, Government Affairs Representative, APS, AZ PUBLIC SERVICE COMPANY (APS)

### **Oppose:**

Peter Bengtson, representing self; Michael Fiflis, representing self; Alisa McMahon, representing self; Leonard Clark Clark, representing self; Rev. Scott Prior, representing self; Cara Prior, representing self; Michael Racy, Lobbyist, THE ALLIANCE FOR SOLAR CHOICE (TASC); Jeannie Pacheco, representing self; Michelle Lund, representing self; Dale Volz, representing self; Sandy Bahr, Sierra Club - Grand Canyon Chapter; Thomas Hulen, representing self; Meghaen Dell'Artino, THE ALLIANCE FOR SOLAR CHOICE (TASC); Dianne McCallister, THE ALLIANCE FOR SOLAR CHOICE (TASC); Tammy Bosse, representing self; barry goldwater, representing self; Thomas Leander, representing self; Barry Wilson, representing self; susan wilson, representing self; Todd Landfried, representing self; Patty Hach, representing self; Robert Hach, representing self; Jen Darland, representing self

### **Neutral:**

Lori Lustig, representing Arizona Corporation Commission

### **All Comments:**

Peter Bengtson, Self: Some of the provisions are OK. However some requirements are intended to erect impediments and discourage solar leases, and at a minimum send a message to the solar industry that they are not welcome in Arizona.; Tom Farley, Arizona Association Of Realtors: The AZ Association supports the Senate

Engrossed bill.; Steven Eddy, TUCSON ELECTRIC POWER COMPANY: We will speak in support or answer questions if necessary.; Leonard Clark Clark, Self: This is a bad bill and is only a tool by big utilities to kill roof top solar by a "thousand cuts".; Rev. Scott Prior, Self: this is just another attempt to block and interfere with a citizens ability to choose. People should not be penalized for wanting to use solar power on their homes, and Utilities should not be allowed to buy government officials support.; Cara Prior, Self: Electrical companies should not be profiting off of a citizen who chooses an alternate form of electricity.; Jeannie Pacheco, Self: Vote no on this bill, protect solar!!!!!!!; Chet McGensy, Self: Representing The Alliance for Solar Choice; Dale Volz, Self: This appears to be confusing, unnecessary legislation intended to create more obstacles to the development of clean distributed energy production.; Thomas Hulen, Self: I believe some requirements in this bill are clearly intended to erect impediments and discourage solar leases, and at a minimum send a message to the solar industry that they are not welcome here. The state should be encouraging roof top solar.; Tammy Bosse, Self: There are good disclosure items in this bills that I support. Good disclosure is important. There are specific aspects that make it bad policy for a fair and balanced free market and make it unduly difficult and punitive for the Solar industry; Thomas Leander, Self: we certainly do not need any more red tape for solar installations; Barry Wilson, Self: this whole idea is asinine. solar is the best thing and should not be voted against. just the mere thought of doing away with solar is idiotic. here you have t he perfect opportunity - the sun and you are actually debating it? stupid, stupid.; susan wilson, Self: Solar is the best thing around. It does not pollute, and helps the environment. Some regulations are needed, but this is OVER regulation and will only delay solar. This country needs something more than fossil fuel, and that it solar.; Todd Landfried, Self: AriSEIA opposes SB1465. It creates an unnecessary regulatory burden unsupported by actual home sales data and forces solar companies to become gov't tax advisors. The legislature should not interfere in the free market in favor of monopoly utilities.; John MacDonald, NRG ENERGY INC: Appreciate sponsor's willingness to engage in dialogue, but still have specific issues remaining with bill in its current form.; Patty Hach, Self: solar is the way ofthe future; Robert Hach, Self: Too expensive and prevents solar installations. Solar is our future, for this country and the world, do not kill solar; solange whitehead, Self: I am a realtor & I oppose provisions that add burdens on solar leases. Clients from NSctts & Phx want solar leases as it saves \$, independence, and gives certainty on monthly bills. Solar is good business in AZ. Pls keep it business friendly.; Jen Darland, Self: These provisions are already part of standard industry practice.

## **SB1079, solid waste collection; multifamily housing**

### **Support:**

Joseph abate, NATIONAL WASTE & RECYCLING ASSOCIATION

### **Oppose:**

Alison Zelms, Deputy City Manager, PRESCOTT, CITY OF; Peter Bengtson, representing self; Michael Fiflis, representing self; Alisa McMahon, representing self; Adriana Marinez, City Of Tucson ; Rachel Aja, City Of Peoria; Pat Bourque, City Of Flagstaff; Julie Rees, City Of Sierra Vista; Anthony Miano Jr, representing self; william sterling, representing self; Jacqueline Walker, City of Kingman, representing self; Jestin Johnson, representing self

### **All Comments:**

Peter Bengtson, Self: This could result in private entities cherry picking valuable recyclables whild leaving the city with the garbage. This could cost taxpayers money.; Jacqueline Walker, City of Kingman, Self: On behalf of the City of Kingman; Jestin Johnson, Self: I am the City Manager and want to convey that the City of Bisbee opposes SB1079 and the proposed amendment.



# HOUSE OF REPRESENTATIVES

SB 1079

solid waste collection; multifamily housing

Sponsors: Senators Griffin, McGuire; Representative Mitchell, et al.

---

X Committee on Energy, Environment and Natural Resources

Caucus and COW

House Engrossed

---

## OVERVIEW

SB 1079 prohibits municipalities from preventing a private enterprise from delivering recycling or solid waste services to multifamily residential properties beginning July 1, 2016.

## HISTORY

Current statute prohibits a municipality from prohibiting or unreasonably restraining the private delivery of commercial or industrial recycling or solid waste management services within the boundaries of the municipality. The municipality is required to prescribe rules which promote competition and delivery for these services (Arizona Revised Statutes (A.R.S.) § 49-746).

*Solid waste* means any garbage, trash, rubbish, waste tire, refuse, sludge from a waste treatment plant, water supply treatment plant or pollution control facility, and other discarded material, including solid, liquid, semisolid or contained gaseous material (A.R.S. § 49-701.01). *Recycling* means the process of collecting, separating, cleansing, treating and reconstituting post-consumer materials that would otherwise become solid waste and returning them to the economic stream in the form of raw material for reconstituted products which meet the quality standards necessary to be used in the marketplace, but does not include incineration or other similar processes (A.R.S. § 49-831).

## PROVISIONS

1. Prohibits municipalities from unreasonably restraining or preventing a private enterprise from delivering recycling or solid waste services to multifamily residential properties.
2. Requires municipalities to prescribe rules for the delivery of solid waste management services for multifamily properties.
3. Specifies that this Act will not mandate a municipality to provide recycling and solid waste services.
4. Defines *multifamily residential properties* as a property with one or more structures that contains five or more dwelling units.
5. Applies the statutory definition of *dwelling unit* in A.R.S § 33-1310, the Residential Landlord and Tenant Act.
6. Contains a delayed effective date of July 1, 2016.
7. Makes technical and conforming changes.

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1079

(Reference to Senate engrossed bill)

1 Page 1, between lines 18 and 19, insert:

2 "D. MULTIFAMILY RESIDENTIAL PROPERTIES SHALL PROVIDE THE APPLICABLE  
3 MUNICIPALITY WITH AT LEAST A SIXTY CALENDAR DAY NOTICE TO TERMINATE RECYCLING  
4 OR SOLID WASTE MANAGEMENT SERVICES."

5 Reletter to conform

6 Amend title to conform

FRANKLIN M. PRATT

1079-p1-pratt  
3/5/15  
3:53 PM  
H:ajs

Attachment 3

Adopted  # of Verbals \_\_\_\_\_  
Failed \_\_\_\_\_ Withdrawn \_\_\_\_\_  
Not Offered \_\_\_\_\_ Analysts Initials \_\_\_\_\_

**ARIZONA HOUSE OF REPRESENTATIVES  
Fifty-second Legislature - First Regular Session**

**ROLL CALL VOTE**

COMMITTEE ON ENERGY, ENVIRONMENT AND NATURAL RESOURCES BILL NO. SB 1079

DATE March 9, 2015 MOTION: dpa

	PASS	AYE	NAY	PRESENT	ABSENT
Mrs. Barton		✓			
Mrs. Carter		✓			
Mr. Clark		✓			
Mr. Finchem		✓			
Mr. Leach		✓			
Mr. Saldate			✓		
Ms. Steele			✓		
Mr. Bowers, Vice-Chairman		✓			
Mr. Pratt, Chairman		✓			
		7	2	0	0

APPROVED:



FRANKLIN M. PRATT, Chairman  
RUSSELL BOWERS, Vice-Chairman

  
COMMITTEE SECRETARY

ATTACHMENT \_\_\_\_\_



# HOUSE OF REPRESENTATIVES

SB 1465

distributed energy generation systems; disclosure  
Sponsors: Senators Lesko, Burges, Griffin, et al.

---

X Committee on Energy, Environment and Natural Resources

Caucus and COW

House Engrossed

---

## OVERVIEW

SB 1465 provides disclosure requirements to be included in agreements for the sale or lease of a distributed energy generating system (system).

## HISTORY

Arizona Revised Statutes § 41-1762 requires anyone who manufacturers, furnishes for installation or installs a solar energy device to provide a written warranty statement that includes responsibilities assumed or disclaimed and performance data of the device and components of the device. The statement is subject to approval by the Registrar of Contractors, in accordance to rules adopted, and the Governor's Energy Office.

Statute requires a person who sells a solar energy device to provide the written warranty statement and requires solar devices sold and installed to comply with any consumer protection, rating, certification, performance, marking, installation and safety standards that have been adopted by the Governor's Energy Office.

## PROVISIONS

1. Requires an agreement governing the financing, sale or lease of a system to any person, including a political subdivision other than public power entities or public service corporations, to:
  - a. Be signed and dated by the person buying, financing or leasing the system;
  - b. Be in at least 10-point type;
  - c. Include a provision granting the buyer or lessee to rescind the agreement within three business days after the agreement is signed and before the system is installed;
  - d. Provide a description, including the make and model or a guarantee concerning energy production output that the system would provide;
  - e. Separately set forth the total purchase price or cost for the life of the agreement, any interest or fees to be paid, and the total number of payments, payment frequency, the amount of payment and the payment due date, if the system is financed;
  - f. Identify potential tax obligations;
  - g. Disclose and separately identify tax incentives and rebates the buyer may be eligible for and any conditions or requirements to obtain these tax incentives, rebates or other incentives;
  - h. Disclose whether the warranty or maintenance obligations may be sold or transferred to a third party;
  - i. Disclose and separately acknowledge the ability to modify or transfer ownership of a system or the real property to which the system is affixed, including whether any

- modification or transfer is subject to review or approval by a third party and include the contact information of the entity responsible for approving or modifying the transfer;
- j. Provide a summary of the total costs of operating, maintaining, financing and constructing the system;
  - k. Provide an estimate of the utility charges impacted by potential utility rate changes from within plus or minus 5% range of an annual increase or decrease from current utility costs if the agreement contains an estimate of utility charges with the installation of a system; and
  - l. Include a disclosure stating utility rates, structures and projected savings are subject to change and tax incentives may change or be terminated by executive, legislative or regulatory action.
2. Requires the person currently obligated to maintain or warrant the system to disclose the contact information of the person who will assume the obligation if the obligation is transferred.
  3. Specifies that marketing materials must provide an estimate of the utility charges impacted by potential utility rate changes from within plus or minus 5% range of an annual increase or decrease from current utility costs if the material contains an estimate of utility charges with the installation of a system.
  4. Exempts an individual or company, acting through its officers, employees or agents, that markets, sells, solicits, negotiates or enters into an agreement for the sale, financing or lease of a system as part of a transaction involving the sale or transfer of real property to which the system is or will be affixed.
  5. Specifies that any agreement containing blank spaces when signed by the buyer or lessee is voidable until the system is installed.
  6. Defines *distributed energy generation system* and *seller or marketer*.

PROPOSED

HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1465

(Reference to Senate engrossed bill)

- 1 Page 2, strike lines 1 and 2, insert "SECTION 30-801, MUST:"
- 2     Strike lines 32 through 42
- 3     Renumber to conform
- 4 Page 3, strike lines 24 through 28
- 5     Renumber to conform
- 6 Page 4, line 9, strike "FIVE" insert "ONE"; strike "DECREASE" insert "INCREASE"
- 7     Amend title to conform

KEN CLARK

1465-p1-clark  
3/6/15  
3:48 PM  
H:laa

**ARIZONA HOUSE OF REPRESENTATIVES  
Fifty-second Legislature - First Regular Session**

**ROLL CALL VOTE**

COMMITTEE ON ENERGY, ENVIRONMENT AND NATURAL RESOURCES BILL NO. SB 1465

DATE March 9, 2015 MOTION: dp

	PASS	AYE	NAY	PRESENT	ABSENT
Mrs. Barton		✓			
Mrs. Carter		✓			
Mr. Clark			✓		
Mr. Finchem		✓			
Mr. Leach		✓			
Mr. Saldate		✓			
Ms. Steele			✓		
Mr. Bowers, Vice-Chairman		✓			
Mr. Pratt, Chairman		✓			
		7	2	0	0

APPROVED:

*Franklin M. Pratt*  
FRANKLIN M. PRATT, Chairman  
RUSSELL BOWERS, Vice-Chairman

*Angela Diaz*  
COMMITTEE SECRETARY

ATTACHMENT \_\_\_\_\_

# RESIDENTIAL SELLER DISCLOSURE ADVISORY

Document updated:  
June 2014



## WHEN IN DOUBT – DISCLOSE!



Arizona law requires the seller to disclose material (important) facts about the property, even if you are not asked by the buyer or a real estate agent. These disclosure obligations remain even if you and the buyer agree that no Seller's Property Disclosure Statement ("SPDS") will be provided.

**The SPDS is designed to assist you, the seller, in making these legally required disclosures and to avoid inadvertent nondisclosures of material facts.** To satisfy your disclosure obligations and protect yourself against alleged nondisclosure, you should complete the SPDS by answering all questions as truthfully and as thoroughly as possible. Attach copies of any available invoices, warranties, inspection reports, and leases, to insure that you are disclosing accurate information. 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.



If the buyer asks you about an aspect of the property, you have a duty to disclose the information, even if you do not 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 misrepresented: for example, if something changes.

**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.

If you are using the Arizona Association of REALTORS® ("AAR") Residential Resale Real Estate Purchase Contract, the seller is required to deliver "a completed AAR Residential SPDS form to the Buyer within five (5) days after Contract acceptance." If the Seller does not provide the SPDS as the Contract requires, the Seller is potentially in breach of the Contract, thereby enabling the Buyer to cancel the transaction and receive the earnest money deposit.

\* By law, sellers are not obligated to disclose that the property is or has been: (1) a 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." Instead you should either answer truthfully or respond that you are not legally required to answer the question.



# **R** RESIDENTIAL SELLER'S PROPERTY DISCLOSURE STATEMENT (SPDS) *(To be completed by Seller)*

Document updated:  
June 2014



*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 explanation lines to explain. *By signing on page 7, 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, surveys, 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).**

### PROPERTY AND OWNERSHIP

- As used herein, "Property" shall mean the real property and all fixtures and improvements thereon and appurtenances incidental thereto, plus fixtures and personal property described in the Contract.

3. **PROPERTY ADDRESS:** \_\_\_\_\_ (STREET ADDRESS) \_\_\_\_\_ (CITY) \_\_\_\_\_ (STATE) \_\_\_\_\_ (ZIP)

4. Does the property include any leased land?  Yes  No

5. Explain: \_\_\_\_\_

6. Is the Property located in an unincorporated area of the county?  Yes  No 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.

8. **LEGAL OWNER(S) OF PROPERTY:** \_\_\_\_\_ Date Purchased: \_\_\_\_\_

9. The Property is currently:  Owner-occupied  Leased  Estate  Foreclosure  Vacant If vacant, how long? \_\_\_\_\_

10. If a rental property, how long? \_\_\_\_\_ Expiration date of current lease: \_\_\_\_\_ (Attach a copy of the lease if available.)

11. If any refundable deposits or prepaid rents are being held, by whom and how much? Explain: \_\_\_\_\_

12. \_\_\_\_\_

13. Is the legal owner(s) of the Property a foreign person or a non-resident alien pursuant to the Foreign Investment in Real Property

14. Tax Act (FIRPTA)?  Yes  No If yes, consult a tax advisor; mandatory withholding may apply.

15. Is the Property located in a community defined by the fair housing laws as housing for older persons?  Yes  No

16. Explain: \_\_\_\_\_

17. Approximate year built: \_\_\_\_\_. If Property was built prior to 1978, Seller must furnish the Buyer with a lead-based paint disclosure form.

18. **NOTICE TO BUYER: If the Property is in a subdivision, a subdivision public report, which contains a variety of information about the subdivision at the time the subdivision was approved, may be available by contacting the Arizona Department of Real Estate or the homebuilder. The public report information may be outdated. [www.azre.gov](http://www.azre.gov).**

>>

Initials>

BUYER	BUYER



**Residential Seller's Property Disclosure Statement (SPDS) >>**

21. YES  NO  Have you entered into any agreement to transfer your interest in the Property in any way, including rental renewals or options to purchase? Explain: \_\_\_\_\_
22. \_\_\_\_\_
23. YES  NO  Are you aware if there are any association(s) governing the Property?
24. YES  NO  If yes, provide contact(s) information: Name: \_\_\_\_\_ Phone #: \_\_\_\_\_
25. Name: \_\_\_\_\_ Phone #: \_\_\_\_\_
26. If yes, are there any fees? How much? \$ \_\_\_\_\_ How often? \_\_\_\_\_
27. How much? \$ \_\_\_\_\_ How often? \_\_\_\_\_
28. YES  NO  Are you aware of any association fees payable upon transfer of the Property? Explain: \_\_\_\_\_
29. \_\_\_\_\_
30. YES  NO  Are you aware of any proposed or existing association assessment(s)? Explain: \_\_\_\_\_
31. \_\_\_\_\_
32. YES  NO  Are you aware of any pending or anticipated disputes or litigation regarding the Property or the association(s)?
33. Explain: \_\_\_\_\_
34. YES  NO  Are you aware of any of the following recorded against the Property? (Check all that apply):
35.  Judgment liens  Tax liens  Other non-consensual liens
36. Explain: \_\_\_\_\_
37. YES  NO  Are you aware of any assessments affecting this Property? (Check all that apply):
38.  Paving  Sewer  Water  Electric  Other
39. Explain: \_\_\_\_\_
40. YES  NO  Are you aware of any title issues affecting this Property? (Check all that apply):
41.  Recorded easements  Use restrictions  Lot line disputes  Encroachments
42.  Unrecorded easements  Use permits  Other \_\_\_\_\_
43. Explain: \_\_\_\_\_
44. YES  NO  Are you aware if the Property is located within the boundaries of a Community Facilities District (CFD)?
45. If yes, provide the name of the CFD: \_\_\_\_\_
46. \_\_\_\_\_
47. YES  NO  Are you aware of any public or private use paths or roadways on or across this Property?
48. Explain: \_\_\_\_\_
49. YES  NO  Are you aware of any problems with legal or physical access to the Property? Explain: \_\_\_\_\_
50. The road/street access to the Property is maintained by the  County  City  Homeowners' Association  Privately
51. YES  NO  If privately maintained, is there a recorded road maintenance agreement? Explain: \_\_\_\_\_
52. YES  NO  Are you aware of any violation(s) of any of the following? (Check all that apply):
53.  Zoning  Building Codes  Utility Service  Sanitary health regulations
54.  Covenants, Conditions, Restrictions (CC&R's)  Other \_\_\_\_\_ (Attach a copy of notice(s) of violation if available.)
55. Explain: \_\_\_\_\_
56. \_\_\_\_\_
57. YES  NO  Are you aware of any homeowner's insurance claims having been filed against the Property?
58. Explain: \_\_\_\_\_

**NOTICE TO BUYER: Your claims history, your credit report, the Property's claims history and other factors may affect the insurability of the Property and at what cost. Under Arizona law, your insurance company may cancel your homeowner's insurance within 60 days after the effective date. Contact your insurance company.**

**BUILDING AND SAFETY INFORMATION**

62. YES  NO  **ROOF / STRUCTURAL:**
63. **NOTICE TO BUYER: Contact a professional to verify the condition of the roof.**
64. YES  NO  Are you aware of any past or present roof leaks? Explain: \_\_\_\_\_
65. \_\_\_\_\_
66. YES  NO  Are you aware of any other past or present roof problems? Explain: \_\_\_\_\_
67. \_\_\_\_\_

>>

Initials>

BUYER	BUYER
-------	-------



Residential Seller's Property Disclosure Statement (SPDS) >>

68. YES NO Are you aware of any roof repairs? Explain: \_\_\_\_\_
69. \_\_\_\_\_
70.   Is there a roof warranty? (Attach a copy of warranty if available.)
71.   If yes, is the roof warranty transferable? Cost to transfer \_\_\_\_\_
72.   Are you aware of any interior wall/ceiling/door/window/floor problems? Explain: \_\_\_\_\_
73. \_\_\_\_\_
74.   Are you aware of any cracks or settling involving the foundation, exterior walls or slab? Explain: \_\_\_\_\_
75. \_\_\_\_\_
76.   Are you aware of any chimney or fireplace problems, if applicable? Explain: \_\_\_\_\_
77. \_\_\_\_\_
78.   Are you aware of any damage to any structure on the Property by any of the following? (Check all that apply):
79.  Flood  Fire  Wind  Expansive soil(s)  Water  Hail  Other \_\_\_\_\_
80. Explain: \_\_\_\_\_

WOOD INFESTATION:

81. Are you aware of any of the following:
82. \_\_\_\_\_
83.   Past presence of termites or other wood destroying organisms on the Property?
84.   Current presence of termites or other wood destroying organisms on the Property?
85.   Past or present damage to the Property by termites or other wood destroying organisms?
86. Explain: \_\_\_\_\_
87. \_\_\_\_\_
88.   Are you aware of past or present treatment(s) of the Property for termites or other wood destroying organisms?
89. If yes, date last treatment was performed: \_\_\_\_\_
90. Name of treatment provider(s): \_\_\_\_\_
91.   Is there a treatment warranty? (Attach a copy of warranty if available.)
92.   If yes, is the treatment warranty transferable?

**NOTICE TO BUYER: Contact Office of Pest Management for past termite reports or treatment history. www.sb.state.az.us**

HEATING & COOLING:

95. Heating: Type(s) \_\_\_\_\_
96. Approximate Age(s) \_\_\_\_\_
97. Cooling: Type(s) \_\_\_\_\_
98. Approximate Age(s) \_\_\_\_\_
99. \_\_\_\_\_
100.   Are you aware of any past or present problems with the heating or cooling system(s)?
101. Explain: \_\_\_\_\_

PLUMBING:

102. \_\_\_\_\_
103.   Are you aware of the type of water pipes, such as galvanized, copper, PVC, CPVC or polybutylene?
104. If yes, identify: \_\_\_\_\_
105.   Are you aware of any past or present plumbing problems? Explain: \_\_\_\_\_
106. \_\_\_\_\_
107.   Are you aware of any water pressure problems? Explain: \_\_\_\_\_
108. Type of water heater(s):  Gas  Electric  Solar Approx. age(s): \_\_\_\_\_
109.   Are you aware of any past or present water heater problems? Explain: \_\_\_\_\_
110. \_\_\_\_\_
111.   Is there a landscape watering system? If yes, type:  automatic timer  manual  both
112.   If yes, are you aware of any past or present problems with the landscape watering system?
113. Explain: \_\_\_\_\_
114.   Are there any water treatment systems? (Check all that apply):
115.  water filtration  reverse osmosis  water softener  Other \_\_\_\_\_
116. Is water treatment system(s)  owned  leased (Attach a copy of lease if available.)
117.   Are you aware of any past or present problems with the water treatment system(s)?
118. Explain: \_\_\_\_\_

>>

Initials>

BUYER	BUYER



**Residential Seller's Property Disclosure Statement (SPDS) >>**

YES NO

119. **SWIMMING POOL/SPA/HOT TUB/SAUNA/WATER FEATURE:**  
 120.   Does the Property contain any of the following? (Check all that apply):  
 121.  Swimming pool  Spa  Hot tub  Sauna  Water feature  
 122.   If yes, are either of the following heated?  Swimming pool  Spa If yes, type of heat: \_\_\_\_\_  
 123.   Are you aware of any past or present problems relating to the swimming pool, spa, hot tub, sauna or water feature?  
 124. Explain: \_\_\_\_\_

125. **ELECTRICAL AND OTHER RELATED SYSTEMS:**  
 126.   Are you aware of any past or present problems with the electrical system? Explain: \_\_\_\_\_  
 127. \_\_\_\_\_  
 128.   Is there a security system? If yes, is it (Check all that apply):  
 129.  Leased (Attach copy of lease if available.)  Owned  Monitored  Other \_\_\_\_\_  
 130.   Are you aware of any past or present problems with the security system? Explain: \_\_\_\_\_  
 131. \_\_\_\_\_  
 132.   Does the Property contain any of the following systems or detectors?(Check all that apply):  
 133.  Smoke/fire detection  Fire suppression (sprinklers)  Carbon monoxide detector  
 134. If yes, are you aware of any past or present problems with the above systems? Explain: \_\_\_\_\_  
 135. \_\_\_\_\_

136. **MISCELLANEOUS:**  
 137.   Are you aware of any animals/pets that have resided in the Property? If yes, what kind: \_\_\_\_\_  
 138. \_\_\_\_\_  
 139.   Are you aware of or have you observed any of the following on the Property? (Check all that apply):  
 140.  Scorpions  Rabid animals  Bee swarms  Rodents  Reptiles  Bed Bugs  Other: \_\_\_\_\_  
 141. Explain: \_\_\_\_\_  
 142.   Has the Property been serviced or treated for pests, reptiles, insects, birds or animals? If yes, how often: \_\_\_\_\_  
 143. Name of service provider(s): \_\_\_\_\_ Date of last service: \_\_\_\_\_  
 144.   Are you aware of any work done on the Property, such as building, plumbing, electrical or other improvements or  
 145. alterations or room conversions? (If no, skip to line 156.)  
 146. Explain: \_\_\_\_\_  
 147. \_\_\_\_\_  
 148. \_\_\_\_\_  
 149. \_\_\_\_\_  
 150.   Were permits for the work required? Explain: \_\_\_\_\_  
 151.   If yes, were permits for the work obtained? Explain: \_\_\_\_\_  
 152.   Was the work performed by a person licensed to perform the work? Explain: \_\_\_\_\_  
 153.   Was approval for the work required by any association governing the property? Explain: \_\_\_\_\_  
 154. If yes, was approval granted by the association? Explain: \_\_\_\_\_  
 155.   Was the work completed? Explain: \_\_\_\_\_  
 156.   Are there any security bars or other obstructions to door or window openings? Explain: \_\_\_\_\_  
 157.   Are you aware of any past or present problems with any built-in appliances? Explain: \_\_\_\_\_  
 158. \_\_\_\_\_  
 159.   Are there any leased propane tanks, equipment or other systems on the Property? (Attach a copy of lease if available.)  
 160. Explain: \_\_\_\_\_  
 161. \_\_\_\_\_

>>

Initials>

BUYER	BUYER



**Residential Seller's Property Disclosure Statement (SPDS) >>**

**UTILITIES**

162. **DOES THE PROPERTY CURRENTLY RECEIVE THE FOLLOWING SERVICES?**

YES	NO		PROVIDER	
163.	<input type="checkbox"/>	<input type="checkbox"/>	Electricity: .....	_____
164.	<input type="checkbox"/>	<input type="checkbox"/>	Fuel: <input type="checkbox"/> Natural gas <input type="checkbox"/> Propane <input type="checkbox"/> Oil .....	_____
165.	<input type="checkbox"/>	<input type="checkbox"/>	Cable / Satellite: .....	_____
166.	<input type="checkbox"/>	<input type="checkbox"/>	Internet: .....	_____
167.	<input type="checkbox"/>	<input type="checkbox"/>	Telephone: .....	_____
168.	<input type="checkbox"/>	<input type="checkbox"/>	Garbage Collection: .....	_____
169.	<input type="checkbox"/>	<input type="checkbox"/>	Fire: .....	_____
170.	<input type="checkbox"/>	<input type="checkbox"/>	Irrigation: .....	_____
171.	<input type="checkbox"/>	<input type="checkbox"/>	Water Source:	
172.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/> Public <input type="checkbox"/> Private water co. <input type="checkbox"/> Hauled water . . . . .	_____
173.			<input type="checkbox"/> Private well <input type="checkbox"/> Shared well If water source is a private or shared well, complete and attach	
174.			Domestic Water Well/Water Use Addendum.	

**NOTICE TO BUYER: If the Property is served by a well, private water company or a municipal water provider, the Arizona Department of Water Resources may not have made a water supply determination. For more information about water supply, or any of the above services, contact the provider.**

175.   Are you aware of any past or present drinking water problems? Explain: \_\_\_\_\_

176. \_\_\_\_\_

177. \_\_\_\_\_

178.   U.S. Postal Service delivery is available at:  Property  Cluster Mailbox  Post Office  Other \_\_\_\_\_

179. \_\_\_\_\_

180.   Are there any alternate power systems serving the Property? (If no, skip to line 190.)

181. If yes, indicate type (Check all that apply):

182.  Solar  Wind  Generator  Other \_\_\_\_\_

183. Are you aware of any past or present problems with the alternate power system(s)? Explain: \_\_\_\_\_

184. \_\_\_\_\_

185. \_\_\_\_\_

186.   Are any alternate power systems serving the Property leased? Explain: \_\_\_\_\_

187. \_\_\_\_\_

188. If yes, provide name and phone number of the leasing company (Attach copy of lease if available): \_\_\_\_\_

189. \_\_\_\_\_

**ENVIRONMENTAL INFORMATION**

YES	NO	
190.	<input type="checkbox"/>	<input type="checkbox"/>
191.		Are you aware of any past or present issues or problems with any of the following on the Property? (Check all that apply):
192.		<input type="checkbox"/> Soil settlement/expansion <input type="checkbox"/> Drainage/grade <input type="checkbox"/> Erosion <input type="checkbox"/> Fissures <input type="checkbox"/> Dampness/moisture <input type="checkbox"/> Other
193.		Explain: _____
194.	<input type="checkbox"/>	<input type="checkbox"/>
195.		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):
196.		<input type="checkbox"/> Soil settlement/expansion <input type="checkbox"/> Drainage/grade <input type="checkbox"/> Erosion <input type="checkbox"/> Fissures <input type="checkbox"/> Other _____
		Explain: _____

**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.**

197.	<input type="checkbox"/>	<input type="checkbox"/>
198.		Are you aware if the Property is subject to any present or proposed effects of any of the following? (Check all that apply):
199.		<input type="checkbox"/> Airport noise <input type="checkbox"/> Traffic noise <input type="checkbox"/> Rail line noise <input type="checkbox"/> Neighborhood noise <input type="checkbox"/> Landfill <input type="checkbox"/> Toxic waste disposal
200.		<input type="checkbox"/> Odors <input type="checkbox"/> Nuisances <input type="checkbox"/> Sand/gravel operations <input type="checkbox"/> Other _____
201.		Explain: _____
202.	<input type="checkbox"/>	<input type="checkbox"/>
203.		Are you aware if any portion of the Property has ever been used as a "Clandestine drug laboratory" (manufacture of, or storage of, chemicals or equipment used in manufacturing methamphetamine, ecstasy or LSD)?
204.		

**NOTICE TO BUYER: The Arizona Board of Technical Registration (BTR) maintains a list of unremediated sites at www.azbtr.gov. To determine if the property was once on the list but has been remediated, contact the BTR.**



**Residential Seller's Property Disclosure Statement (SPDS) >>**

207.  YES  NO Are you aware if the Property is located in the vicinity of a public or private airport?  
208. Explain: \_\_\_\_\_

**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](http://www.azre.gov).

214.   Is the Property located in the vicinity of a military airport or ancillary military facility?  
215. Explain: \_\_\_\_\_  
216.   Are you aware of the presence of any of the following on the Property, past or present? (Check all that apply):  
217.  Asbestos  Radon gas  Lead-based paint  Pesticides  Underground storage tanks  Fuel/chemical storage  
218. Explain: \_\_\_\_\_  
219.   Are you aware if the Property is located within or subject to any of the following ordinances? (Check all that apply):  
220.  Superfund / WQARF / CERCLA  Wetlands area  Natural Area Open Spaces  
221.   Are you aware of any open mine shafts/tunnels or abandoned wells on the Property?  
222. If yes, describe location: \_\_\_\_\_  
223.   Are you aware if any portion of the Property is in a flood plain/way? Explain: \_\_\_\_\_  
224. \_\_\_\_\_

**NOTICE TO BUYER:** Your mortgage lender [may] [will] require you to purchase flood insurance in connection with your purchase of this property. The National Flood Insurance Program provides for the availability of flood insurance and establishes flood insurance policy premiums based on the risk of flooding in the area where properties are located. Recent changes to federal law (The Biggert-Waters Flood Insurance Reform Act of 2012 and the Homeowner Flood Insurance Affordability Act of 2014, in particular) will result in changes to flood insurance premiums that are likely to be higher, and in the future may be substantially higher, than premiums paid for flood insurance prior to or at the time of sale of the property. As a result, purchasers of property should not rely on the premiums paid for flood insurance on this property previously as an indication of the premiums that will apply after completion of the purchase. In considering purchase of this property you should consult with one or more carriers of flood insurance for a better understanding of flood insurance coverage, current and anticipated future flood insurance premiums, whether the prior owner's policy may be assumed by a subsequent purchaser of the property, and other matters related to the purchase of flood insurance for the property. You may also wish to contact the Federal Emergency Management Agency (FEMA) for more information about flood insurance as it relates to this property.

239.   Are you aware of any portion of the Property ever having been flooded? Explain: \_\_\_\_\_  
240. \_\_\_\_\_  
241.   Are you aware of any water damage or water leaks of any kind on the Property? Explain: \_\_\_\_\_  
242. \_\_\_\_\_  
243.   Are you aware of any past or present mold growth on the Property? If yes, explain: \_\_\_\_\_  
244. \_\_\_\_\_

**SEWER/WASTEWATER TREATMENT**

245.  YES  NO Is the entire Property connected to a sewer?  
246.   If no, is a portion of the Property connected to a sewer? Explain: \_\_\_\_\_  
247. \_\_\_\_\_  
248.   If the entire Property or a portion of the Property is connected to a sewer, has a professional verified the sewer connection?  
249. If yes, how and when: \_\_\_\_\_

**NOTICE TO BUYER:** Contact a professional to conduct a sewer verification test.

251. Type of sewer:  Public  Private  Planned and approved sewer system, but not connected  
252. Name of Provider: \_\_\_\_\_

>>

Initials>

BUYER	BUYER



**Residential Seller's Property Disclosure Statement (SPDS) >>**

YES NO

- 253.   Are you aware of any past or present problems with the sewer? Explain: \_\_\_\_\_
- 254.   Is the Property served by an On-Site Wastewater Treatment Facility? (If no, skip to line 267.)
- 255. If yes, the Facility is:  Conventional septic system  Alternative system; type: \_\_\_\_\_
- 256.   If the Facility is an alternative system, is it currently being serviced under a maintenance contract?
- 257. If yes, name of contractor: \_\_\_\_\_ Phone #: \_\_\_\_\_
- 258. Approximate year Facility installed: \_\_\_\_\_ (Attach copy of permit if available.)
- 259.   Are you aware of any repairs or alterations made to this Facility since original installation?
- 260. Explain: \_\_\_\_\_
- 261. \_\_\_\_\_
- 262. Approximate date of last Facility inspection and/or pumping of septic tank: \_\_\_\_\_
- 263.   Are you aware of any past or present problems with the Facility? Explain: \_\_\_\_\_
- 264. \_\_\_\_\_

**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.**

**OTHER CONDITIONS AND FACTORS**

- 267. What other material (important) information are you aware of concerning the Property that might affect the buyer's decision-making process, the value of the Property, or its use? Explain: \_\_\_\_\_
- 268. \_\_\_\_\_
- 269. \_\_\_\_\_

**ADDITIONAL EXPLANATIONS**

- 270. \_\_\_\_\_
- 271. \_\_\_\_\_
- 272. \_\_\_\_\_
- 273. \_\_\_\_\_
- 274. \_\_\_\_\_
- 275. \_\_\_\_\_
- 276. \_\_\_\_\_
- 277. \_\_\_\_\_
- 278. \_\_\_\_\_
- 279. \_\_\_\_\_

280. **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. Seller acknowledges receipt of Residential Seller Disclosure Advisory titled *When in Doubt — Disclose*.

284. \_\_\_\_\_ MO/DA/YR    ^ SELLER'S SIGNATURE    \_\_\_\_\_ MO/DA/YR

285. Reviewed and updated: Initials: \_\_\_\_\_ / \_\_\_\_\_ MO/DA/YR

286. **BUYER'S ACKNOWLEDGMENT:** 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 and to consider obtaining a home warranty protection plan.

290. **NOTICE:** Buyer acknowledges that by law, Sellers, Lessors and Brokers 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, 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.

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

295. \_\_\_\_\_ MO/DA/YR    ^ BUYER'S SIGNATURE    \_\_\_\_\_ MO/DA/YR

Initials>

BUYER	BUYER

