RESIDENTIAL LEASE OWNER ADVISORY



WHEN IN DOUBT - DISCLOSE!



Residential lease owners have certain obligations pursuant to the Landlord and Tenant Act and other laws. There are also some very specific Owner disclosures that you are required by statute to make. For example, Owners are required to disclose information on lead based paint in homes built prior to 1978 and Owners must provide a state approved Pool Safety Notice if the property includes a pool or spa.

If the tenant asks you about an aspect of the property, you should disclose the information, regardless of whether or not you consider the information material. However, an Owner does not generally have a legal obligation to correct defects in the property, as long as the defect: (1) does not render the property uninhabitable; (2) does not pose a real or potential threat to the tenant's health or safety; and (3) as long as the existing defects are disclosed. Any correction of the defects is a matter of contract negotiation between you and the tenant.

The Arizona Association of REALTORS[®] Residential Lease Owner's Property Disclosure Statement is designed to assist you in making these disclosures and to avoid inadvertent nondisclosures of material facts.

You should complete this form by answering all questions as truthfully and as thoroughly as possible. You may use the blank lines to explain any 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 form is divided into five general sections:

- (1) Ownership and Property: This section asks for general information about the property, such as location, ownership and occupancy. Any Owner, whether or not that Owner has actually lived in the property, should be able to answer most, if not all, of the questions in this section.
- (2) Building and Safety Information: This section asks for information regarding the physical aspects of the property. You should disclose any present problems with the property. You are also asked specifically to disclose any knowledge of scorpions or other possible "pests" have ever been present on the property. Although many Owners will answer affirmatively to these questions, full disclosure is the best way to avoid complaints.
- (3) Utilities: You are asked whether the property currently receives the listed utilities, and if so, to identify the provider. The water source and any known information about drinking water problems should also be disclosed.
- (4) Environmental Information: A variety of environmental information is requested. In addition to questions regarding environmental hazards, you are asked to disclose any issues relating to soil settlement/expansion, drainage/grade, or erosion; noise from the surrounding area including airport and traffic noise; and any odors or other nuisances. As a result of recent lawsuits and potential health concerns, you are asked specifically if you are aware of any past or present mold growth on the property. Mold spores are everywhere and when mold spores drop in places where there is water damage or excessive moisture, or where there has been flooding, mold will grow. Thus, you are asked to disclose any conditions conducive to mold growth, such as past or present dampness/moisture, flooding, and water damage or water leaks of any kind.
- (5) Additional Information: These blank lines provide space for you to provide any other important information concerning the property.

Please note: By law, Owners 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 an Owner 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.

RESIDENTIAL LEASE OWNER'S PROPERTY DISCLOSURE STATEMENT (To be completed by Owner)

August 2011



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 OWNER:

The form is designed to assist you in making disclosures to the Tenant. If you know something important about the Property that is not addressed on the form, add that information to the form. Prospective Tenants 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 below you acknowledge that the failure to disclose known material information about the Property may result in liability.

MESSAGE TO THE TENANT:

There are likely facts about the Property that the Owners do not know. Therefore, it is important that you take an active role in obtaining information about the Property. For more information on obtaining this information see the Buyer Advisory at http://www.aaronline.com/documents/buy_advis.pdf

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 form. (5) Review all other applicable documents, such as CC&R's, and association rules and regulations. (6) Conduct inspections of the Property. (7) Investigate the surrounding area.

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

OWNERSHIP AND PROPERTY

1. 2.	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 Lease.
3.	LEGAL OWNER(S) OF PROPERTY: SAMPLE
4.	PROPERTY ADDRESS: (STREET ADDRESS) (CITY) (STATE) (ZIP)
5.	Is the property located in a community defined by the fair housing laws as housing for older persons?
6.	
7.	Approximate year built: If Property was built prior to 1978, Owner must furnish the Tenant with a lead-based
8.	
9.	Are you current on: Mortgage Yes No Property tax Yes No HOA fees Yes No
	YES NO
10.	Are you aware if there are any association(s) governing this Property?
11.	If yes, provide contact(s) information: Name:
12.	Phone #: Address:
13.	If yes, are there any fees related to leasing the home? Explain
14.	Are you aware of any public or private use paths or roadways on or across this Property?
15.	Explain:
16.	Are you aware of any violation(s) of any of the following? (If yes, check all that apply):
17.	Zoning Building Codes Utility Service Sanitary health regulations
18.	Covenants, Conditions, Restrictions (CC&R's) U Other
19.	Are you aware of any parking restrictions? If yes, please explain:
20.	
21.	How many parking spots are available for tenants?

SAMPLE TENANT TENANT

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Residential Lease Owner's Property Disclosure Statement >>

		STRUCTURAL:
		ARE YOU AWARE OF ANY PRESENT:
YES	NO	
	Щ	Roof leaks/problems? Explain:
	Ш	Interior wall/ceiling/door/window/floor problems? Explain:
	Ш	Cracks or settling involving the foundation, exterior walls or slab? Explain:
		Chimney or fireplace problems, if applicable? Explain:
		Damage to any structure on the Property by any of the following? (Check all that apply):
		Flood Fire Wind Water Hail Other
		Explain:
		LIEATING COOLING AND DIVINDING OVOTENG
		HEATING, COOLING AND PLUMBING/SYSTEMS: Heating: Type(s) Cooling: Type(s)
YES	NO	Treating. Type(s) Cooling. Type(s)
		Are you aware of any present problems with the heating or earling eveters (a)?
		Are you aware of any present problems with the heating or cooling system(s)?
		Explain:
		Explain:
		Are you aware of any present plumbing problems?
		Explain: Are you aware of any present water pressure problems?
		Explain:
		Type of water heater(s): Gas Electric Solar Approx. age(s)
		Are you aware of any present water heater problems?
		Explain:
		Is the entire Property connected to a sewer? (If yes, skip to line 47)
	H	Is the Property served by an On-Site Wastewater Treatment Facility ? (If no, skip to line 47)
		If yes, the Facility is: Conventional septic system Alternative system Type:
		If the Facility is an alternative system, is it currently being serviced under a maintenance contract?
		If yes, name of contractor: Phone #:
		Does the Property contain any of the following systems?
		landscape watering: If yes, type: auto timer manual both
	1	water treatment: If yes, check all that apply: water filtration reverse osmosis water softener Other
	1	sump pump
		Are you aware of any present problems or special instructions with any of the systems mentioned above?
		Explain:
		Explain.
		SWIMMING POOL/SPA/HOT TUB/SAUNA/WATER FEATURE:
YES	NO	
		Does the Property contain any of the following? (Check all that apply):
		Swimming pool Spa Hot tub Sauna Water feature
		If yes, are either of the following heated? Swimming pool Spa
		If yes, type of heat:
		Would the swimming pool comply with the applicable swimming pool enclosure/barrier requirements if children reside in
		or regularly visit the Property?
		Note: Owner must furnish Tenant with a Residential Pool Safety Notice prepared by the Arizona Department
		of Health Services.
		Are you aware of any present problems or special instructions relating to the swimming pool, spa, hot tub, sauna
		or water feature? Explain:

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		ELECTRICAL SYSTEMS:
YES	NO	
		Are you aware of any present problems with the electrical system?
		Does the Property contain any of the following systems? (Check all that apply):
		Security system: Monitored Yes No Other
		Smoke/fire detection Fire suppression (sprinklers) Carbon monoxide detector
		Alternate power systems: If yes, indicate type (Check all that apply):
		Solar Wind Generator Other
		Are you aware of any present problems or special instructions with any of the systems mentioned above?
		Explain:
VEO	NO	MISCELLANEOUS:
YES	NO	
		Are you aware of or have you observed any of the following on the Property? (Check all that apply):
		Scorpions Rabid animals Bees Rodents Reptiles Termites/Other wood destroying organisms
		Bed Bugs Other:
		How often is the Property serviced or treated for pests, reptiles, insects or animals?
_		Name of service provider: Date of last service:
	Ш	Are there any security bars or other obstructions to door or window openings?
		Are you aware of any present problems with any built-in appliances?
		Are there any leased propane tanks, equipment or other systems on the Property?
		Are you aware of any problems or special instructions with any of the items listed above?
		Explain:
		Has the Premises ever been used as a "drop house" (i.e. used to facilitate the transport of persons that are not United
		States citizens, permanent resident aliens or otherwise lawfully in this state, for profit or commercial purpose)?
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0111		
		DOES THE PROPERTY CURRENTLY RECEIVE THE FOLLOWING SERVICES?
YES	МО	PROVIDER NAME
Щ		Electricity:
		Fuel: Natural gas Propane Oil
		Cable:
		Telephone:
		Garbage Collection:
		Fire:
		Irrigation:
		Water Source: Public Private water co. Private well Shared well Hauled water
		If source is public, private water company, or hauled water:
		Are you aware of any present drinking water problems?
		Explain:
		O TENANT: IF THE PROPERTY IS SERVED BY A WELL, PRIVATE WATER COMPANY OR A MUNICIPAL PROPERTY OF WATER SERVED BY A WELL, PRIVATE WATER COMPANY OF A WATER SUPPLY OF WATER SERVED BY A WATER SUPPLY OF WATER SERVED BY A WATER SERVED BY A WATER SUPPLY OF WATER SERVED BY A WATER SERVED BY
		ROVIDER, THE ARIZONA DEPARTMENT OF WATER RESOURCES MAY NOT HAVE MADE A WATER SUPPL
ם ו ב	- INI I	NATION. FOR MORE INFORMATION ABOUT WATER SUPPLY, CONTACT THE WATER PROVIDE
FNV	IRO	NMENTAL INFORMATION
		MILITIAL INI CHIMATION
YES		Are you aware of any past or present issues or problems with any of the following on the Property? (Check all that apply):
		Soil settlement/expansion Drainage/grade Erosion Fissures Dampness/moisture Other
		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): Soil settlement/expansion Drainage/grade Erosion Fissures Other
NOTIO	CE TO	O TENANT: THE ARIZONA DEPARTMENT OF REAL ESTATE PROVIDES EARTH FISSURE MAPS TO ANY MEMBE
	IE DI	IDLIC IN DDINTED OD ELECTRONIC FORMAT LIDON DEGLEST AND ON ITS WERSITE AT WARM CARE GOV
OF TH	1E PU	JBLIC IN PRINTED OR ELECTRONIC FORMAT UPON REQUEST AND ON ITS WEBSITE AT www.azre.gov.

	Residential Lease Owner's Property Disclosure Statement >>
105. 106. 107. 108. 109. 110.	Are you aware if the Property is located within any of the following? (Check all that apply): Superfund/ WQARF/ CERCLA Wetlands area Are you aware if the Property is subject to any present or proposed effects of any of the following? (Check all that apply): Airport noise Traffic noise Rail line noise Neighborhood noise Landfill Odors Nuisances Toxic waste disposal Sand/gravel operations Other: 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)?
112. 113. 114.	NOTICE TO TENANT: 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 AT 602-364-4948.
115. 116. 117. 118. 119. 120. 121. 122. 123. 124.	Are you aware if the Property is located in the vicinity of an airport (military, public, or private)? Are you aware of the presence of any of the following on the Property, past or present? (Check all that apply): Asbestos Radon gas Lead-based paint Pesticides Underground storage tanks Fuel/chemical storage Are you aware of any open mine shafts/tunnels or abandoned wells on the Property? If yes, describe location: Are you aware if any portion of the Property is in a flood plain/way. Are you aware of any portion of the Property ever having been flooded? Are you aware of any water damage or water leaks of any kind on the Property? Explain: Explain:
125.	
	ADDITIONAL INFORMATION
126. 127. 128.	Any other components of property not in working order or any additional information:
_	
129. 130.	
129. 130. 131. 132. 133.	as of the date signed. Owner agrees that any material changes in the information contained herein will be disclosed in writing by Owner
129. 130. 131. 132.	as of the date signed. Owner agrees that any material changes in the information contained herein will be disclosed in writing by Owner to Tenant prior to occupancy, including any information that may be revealed by subsequent inspections.
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129. 130. 131. 132. 133. 134. 135. 136.	as of the date signed. Owner agrees that any material changes in the information contained herein will be disclosed in writing by Owner to Tenant prior to occupancy, including any information that may be revealed by subsequent inspections. SAMPLE
129. 130. 131. 132. 133. 134. 135. 136. 137. 138. 139. 140. 141. 142.	as of the date signed. Owner agrees that any material changes in the information contained herein will be disclosed in writing by Owner to Tenant prior to occupancy, including any information that may be revealed by subsequent inspections. SAMPLE

Initials>