
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1571

Session of
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AS REPORTED FROM COMMITTEE ON PROFESSIONAL LICENSURE, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 14, 1995

AN ACT

1 Providing for a real estate transfer disclosure statement.

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7 The General Assembly of the Commonwealth of Pennsylvania
8 hereby enacts as follows:

9 Section 1. Short title.

10 This act shall be known and may be cited as the Real Estate
11 Seller Disclosure Act.

12 Section 2. Definitions.

13 The following words and phrases when used in this act shall
14 have the meanings given to them in this section unless the
15 context clearly indicates otherwise:

16 "Agent." Any broker, associate broker or salesperson, as
17 defined in the act of February 19, 1980 (P.L.15, No.9), known as
18 the Real Estate Licensing and Registration Act.

19 "Buyer." Any individual, partnership, corporation, trustee
20 or combination thereof purchasing any estate or interest in real
21 property as provided under section 3(a).

22 "Final settlement." The time at which the buyer and seller
23 have signed and delivered all papers and consideration to convey
24 title to the estate or interest in real property being conveyed.

25 "Seller." Any individual, partnership, corporation, trustee
26 or combination thereof transferring any estate or interest in
27 residential real property as provided under section 3(a).

28 Section 3. Applicability.

29 (a) General rule.--This act shall apply to the transfer of
30 any interest in real estate consisting of not less than one nor

1 more than four residential dwelling units, whether by sale,
2 exchange, installment sales contract, lease with an option to
3 purchase, grant, lease or transfer of interest in a residential
4 cooperative or condominium.

5 (b) Exceptions.--This act shall not apply to the following:

6 (1) Transfers pursuant to court order, including, but
7 not limited to, transfers ordered by a probate court in the
8 administration of an estate, transfers pursuant to a writ of
9 execution, transfers by a trustee in bankruptcy, transfers by
10 eminent domain and condemnation and transfers resulting from
11 a decree for specific performance.

12 (2) Transfers to a mortgagee by a mortgagor or successor
13 in interest who is in default, transfers to a beneficiary of
14 a deed of trust by a trustee or successor in interest who is
15 in default, transfers by any foreclosure sale after default
16 in an obligation secured by a mortgage, transfers by a sale
17 under a power of sale or any foreclosure sale under a decree
18 of foreclosure after default in an obligation secured by a
19 deed of trust or secured by any other instrument containing a
20 power of sale or transfers by a mortgagee or a beneficiary
21 under a deed of trust who has acquired the real property at a
22 sale conducted pursuant to a power of sale under a mortgage
23 or deed of trust or a sale pursuant to a decree of
24 foreclosure or has acquired the real property by a deed in
25 lieu of foreclosure.

26 (3) Transfers by a fiduciary in the course of the
27 administration of a decedent's estate, guardianship,
28 conservatorship or trust.

29 (4) Transfers from one co-owner to one or more other co-
30 owners.

1 (5) Transfers made to a spouse or to a person or persons
2 in the lineal line of consanguinity of one or more of the
3 transferors.

4 (6) Transfers between spouses resulting from a decree of
5 dissolution of marriage or a decree of legal separation or
6 from a property settlement agreement incidental to the
7 decree.

8 (7) Transfers by a corporation to its shareholders
9 pursuant to a plan of liquidation.

10 (8) Transfers by a partnership to its partners pursuant
11 to a plan of liquidation.

12 Section 4. Disclosure of material defects.

13 Any seller who intends to transfer any interest in real
14 property shall complete all applicable items in a property
15 disclosure statement prescribed under section 5 and shall
16 deliver to the buyer in accordance with section 6 a signed and
17 dated copy of the completed statement prior to the signing of a
18 written agreement by the seller and prospective buyer that
19 would, subject to the satisfaction of any negotiated
20 contingencies, require the prospective buyer to accept a
21 transfer of the residential real property.

22 Section 5. Disclosure form.

23 The disclosures required by this act pertaining to the
24 property proposed to be transferred are set forth in and shall
25 be made on a form that is substantially similar to the following
26 disclosure form. Nothing in this act shall preclude a seller
27 from including in this form additional provisions which require
28 greater specificity or which call for the disclosure of the
29 condition or existence of other features of the property.

30 SELLER'S PROPERTY DISCLOSURE STATEMENT

1 Property address:
2
3 Seller:

4 A seller must disclose to a buyer all known material
5 defects about property being sold that are not readily
6 observable. This disclosure statement is designed to
7 assist the seller in complying with disclosure
8 requirements and to assist the buyer in evaluating the
9 property being considered.

10 This statement discloses the seller's knowledge of
11 the condition of the property as of the date signed by
12 the seller and is not a substitute for any inspections or
13 warranties that the buyer may wish to obtain. This
14 statement is not a warranty of any kind by the seller or
15 a warranty or representation by any listing real estate
16 broker, any selling real estate broker or their agents.
17 The buyer is encouraged to address concerns about the
18 conditions of the property that may not be included in
19 this statement. This statement does not relieve the
20 seller of the obligation to disclose a material defect
21 that may not be addressed on this form.

22 A material defect is a problem with the property
23 or any portion of it that would have a significant
24 adverse impact on the value of the residential real
25 property or that would significantly impair the health
26 or safety of the occupants.

27 (1) Seller's expertise. The seller does not possess
28 expertise in contracting, engineering, architecture
29 or other areas related to the construction and
30 conditions of the property and its improvements,

1 except as follows:

2 (2) Occupancy. Do you, the seller, currently occupy

3 this property? yes no

4 If "no," when did you last occupy the property?

5 (3) Roof.

6 (i) Date roof was installed:

7 Documented? yes no unknown

8 (ii) Has the roof been replaced or repaired during

9 your ownership? yes no

10 If "yes," were the existing shingles removed?

11 yes no unknown

12 (iii) Has the roof ever leaked during your

13 ownership? yes no

14 (iv) Do you know of any problems with the roof,

15 gutters or downspouts? yes no

16 Explain any "yes" answers that you give in this section:

17

18

19 (4) Basements and crawl spaces (Complete only if

20 applicable).

21 (i) Does the property have a sump pump?

22 yes no unknown

23 (ii) Are you aware of any water leakage,

24 accumulation or dampness within the basement or

25 crawl space? yes no

26 If "yes," describe in detail:

27

28 (iii) Do you know of any repairs or other attempts

29 to control any water or dampness problem in the

30 basement or crawl space? yes no

1 If "yes," describe the location, extent, date
2 and name of the person who did the repair or
3 control effort:
4

5 (5) Termites/wood destroying insects, dry rot, pests.

6 (i) Are you aware of any termites/wood destroying
7 insects, dry rot or pests affecting the
8 property? yes no

9 (ii) Are you aware of any damage to the property
10 caused by termites/wood destroying insects, dry
11 rot or pests? yes no

12 (iii) Is your property currently under contract by
13 a licensed pest control company?
14 yes no

15 (iv) Are you aware of any termite/pest control
16 reports or treatments for the property in the
17 last five years? yes no

18 Explain any "yes" answers that you give in this section:

19
20

21 (6) Structural items.

22 (i) Are you aware of any past or present water
23 leakage in the house or other structures?
24 yes no

25 (ii) Are you aware of any past or present movement,
26 shifting, deterioration or other problems with
27 walls, foundations or other structural
28 components? yes no

29 (iii) Are you aware of any past or present problems
30 with driveways, walkways, patios or retaining

1 walls on the property? yes no
2 Explain any "yes" answers that you give in this section.
3 When explaining efforts to control or repair, please
4 describe the location and extent of the problem and the
5 date and person by whom the work was done, if known:
6
7
8 (7) Additions/remodeling. Have you made any additions,
9 structural changes or other alterations to the
10 property? yes no
11 If "yes," please describe:
12
13 (8) Water and sewage.
14 (i) What is the source of your drinking water?
15 public community system
16 well on property other
17 If "other," please explain:
18
19 (ii) If your drinking water source is not public:
20 when was your water last tested?
21 what was the result of the test?
22 Is the pumping system in working order?
23 yes no
24 If "no," please explain:
25
26 (iii) Do you have a softener, filter or other
27 purification system? yes no
28 If "yes," is the system: leased owned
29 (iv) What is the type of sewage system?
30 public sewer private sewer

1 septic tank cesspool other
2 If "other," please explain:
3
4 (v) Is there a sewage pump? yes no
5 If "yes," is it in working order?
6 yes no
7 (vi) When was the septic system or cesspool last
8 serviced?
9 (vii) Is either the water or sewage system shared?
10 yes no
11 If "yes," please explain:
12
13 (viii) Are you aware of any leaks, backups or other
14 problems relating to any of the plumbing, water
15 and sewage-related items? yes no
16 If "yes," please explain:
17
18 (9) Plumbing system.
19 (i) Type of plumbing: copper galvanized
20 lead PVC unknown other
21 If "other," please explain:
22
23 (ii) Are you aware of any problems with any of your
24 plumbing fixtures (including, but not limited
25 to: kitchen, laundry or bathroom fixtures, wet
26 bars, hot water heater, etc.)?
27 yes no
28 If "yes," please explain:
29
30 (10) Heating and air conditioning.

1 (i) Type of air conditioning: central electric
2 central gas wall none
3 Number of window units included in sale:
4 Location:
5
6 (ii) List any areas of the house that are not air
7 conditioned:
8
9 (iii) Type of heating: electric
10 fuel oil natural gas other
11 If "other," please explain:
12
13 (iv) List any areas of the house that are not
14 heated:
15 (v) Type of water heating: electric gas
16 solar other
17 If "other," please explain:
18
19 (vi) Are you aware of any underground fuel tanks on
20 the property? yes no
21 If "yes," please describe:
22
23 Are you aware of any problems with any item in this
24 section? yes no
25 If "yes," please explain:
26
27 (11) Electrical system. Are you aware of any problems
28 or repairs needed in the electrical system?
29 yes no
30 If "yes," please explain:

1
2 (12) Other equipment and appliances included in sale
3 (complete only if applicable).
4 (i) Electric garage door opener
5 Number of transmitters
6 (ii) Smoke detectors How many?
7 Location:
8
9 (iii) Security alarm system
10 owned leased
11 Lease information:
12
13 (iv) Lawn sprinkler
14 Number Automatic timer
15 (v) Swimming pool Pool heater
16 Spa/hot tub
17 List all pool/spa equipment:
18
19 (vi) Refrigerator Range
20 Microwave oven Dishwasher
21 Trash compactor Garbage disposal
22 (vii) Washer Dryer
23 (viii) Intercom
24 (ix) Ceiling fans Number
25 Location:
26 (x) Other:
27 Are any items in this section in need of repair or
28 replacement? yes no unknown
29 If "yes," please explain:
30

1 (13) Land (soils, drainage and boundaries).

2 (i) Are you aware of any fill or expansive soil on
3 the property? yes no

4 (ii) Are you aware of any sliding, settling, earth
5 movement, upheaval, subsidence or earth stability
6 problems that have occurred on or that affect the
7 property? yes no

8 (iii) Are you aware of any existing or proposed
9 mining, strip mining or any other excavations
10 that might affect this property?
11 yes no

12 (iv) To your knowledge, is this property, or part of
13 it, located in a flood zone or wetlands area?
14 yes no

15 (v) Do you know of any past or present drainage or
16 flooding problems affecting the property?
17 yes no

18 (vi) Do you know of any encroachments, boundary
19 line disputes or easements? yes no

20 NOTE TO BUYER: Most properties have easements
21 running across them for utility services and
22 other reasons. In many cases, the easements do
23 not restrict the ordinary use of the property,
24 and the seller may not be readily aware of them.
25 Buyers may wish to determine the existence of
26 easements and restrictions by examining the
27 property and ordering an abstract of title or
28 searching the records in the Office of the
29 Recorder of Deeds for the county before entering
30 into an agreement of sale.

1 (vii) Are you aware of any shared or common areas
2 (for example, driveways, bridges, docks, walls,
3 etc.) or maintenance agreements?

4 yes no

5 Explain any "yes" answers that you give in this section:

6

7

8 (14) Hazardous substances.

9 (i) Are you aware of any underground tanks or
10 hazardous substances present on the property
11 (structure or soil), including, but not limited
12 to, asbestos, polychlorinated biphenyls (PCBs),
13 radon, lead paint, urea-formaldehyde foam
14 insulation (UFFI), etc.? yes no

15 (ii) To your knowledge, has the property been tested
16 for any hazardous substances? yes no

17 (iii) Do you know of any other environmental
18 concerns that might impact upon the property?
19 yes no

20 Explain any "yes" answers that you give in this section:

21

22

23 (15) Condominiums and other homeowners associations

24 (complete only if applicable).

25 (i) Type: condominium* cooperative
26 homeowners association other

27 If "other," please explain:

28

29 (ii) Are you aware of any defect, damage or problem
30 with any common element or common area that

1 materially affects the property?

2 yes no

3 (iii) Are you aware of any condition or claim which

4 may result in an increase in assessments or fees?

5 yes no

6 Explain any "yes" answers that you give in this section:

7

8

9 * NOTICE REGARDING CONDOMINIUMS: According to section

10 3407 of the Uniform Condominium Act (68 Pa.C.S. § 3407

11 (relating to resales of units)), a buyer of a resale unit

12 in a condominium must receive a certificate of resale

13 issued by the condominium association. The buyer will

14 have the option of canceling the agreement with return of

15 all deposit moneys for five days after the certificate is

16 received.

17 (16) Miscellaneous.

18 (i) Are you aware of any existing or threatened

19 legal action affecting the property?

20 yes no

21 (ii) Do you know of any violations of Federal, State

22 or local laws or regulations relating to this

23 property? yes no

24 (iii) Are you aware of any public improvement,

25 condominium or homeowner association assessments

26 against the property that remain unpaid or of any

27 violations of zoning, housing, building, safety

28 or fire ordinances that remain uncorrected?

29 yes no

30 (iv) Are you aware of any judgment, encumbrance,

1 lien (for example, comaker or equity loan) or
2 other debt against this property that cannot be
3 satisfied by the proceeds of this sale?

4 yes no

5 (v) Are you aware of any reason, including a defect
6 in title, that would prevent you from giving a
7 warranty deed or conveying title to the property?

8 yes no

9 (vi) Are you aware of any material defects to the
10 property, dwelling or fixtures which are not
11 disclosed elsewhere on this form?

12 yes no

13 A material defect is a problem with the property
14 or any portion of it that would have A significant
15 adverse effect IMPACT on the VALUE OF THE
16 residential real property or that would significantly
17 impair the health or safety of the occupants.

<—

<—

18 Explain any "yes" answers that you give in
19 this section:

20

21

22 The undersigned seller represents that the
23 information set forth in this disclosure statement is
24 accurate and complete to the best of the seller's
25 knowledge. The seller hereby authorizes any agent for the
26 seller to provide this information to prospective buyers
27 of the property and to other real estate agents. The
28 seller alone is responsible for the accuracy of the
29 information contained in this statement. The seller shall
30 cause the buyer to be notified in writing of any

1 information supplied on this form which is rendered
2 inaccurate by a change in the condition of the property
3 following the completion of this form.

4 SELLER DATE

5 SELLER DATE

6 SELLER DATE

7

8 EXECUTOR, ADMINISTRATOR, TRUSTEE, SELLER

9 The undersigned has never occupied the property and
10 lacks the personal knowledge necessary to complete this
11 disclosure statement.

12

13

14 DATE

15

16

17 RECEIPT AND ACKNOWLEDGMENT BY BUYER

18 The undersigned buyer acknowledges receipt of this
19 disclosure statement. The buyer acknowledges that this
20 statement is not a warranty and that, unless stated
21 otherwise in the sales contract, the buyer is purchasing
22 this property in its present condition. It is the buyer's
23 responsibility to satisfy himself or herself as to the
24 condition of the property. The buyer may request that
25 the property be inspected, at the buyer's expense and by
26 qualified professionals, to determine the condition of
27 the structure or its components.

28 BUYER DATE

29 BUYER DATE

30 BUYER DATE

1 Section 6. Delivery of disclosure form.

2 (a) Method of delivery.--The seller's delivery of the
3 property disclosure statement to the buyer as prescribed by this
4 act shall be by personal delivery; ordinary mail; certified
5 mail, return receipt requested; or facsimile transmission to the
6 buyer or the buyer's agent.

7 (b) Parties to whom delivered.--For purposes of this act,
8 delivery to one prospective buyer or buyer's agent is deemed
9 delivery to all persons intending to take title as cotenants,
10 joint tenants or as a tenant by the entireties with the buyer.
11 Receipt may be acknowledged on the statement, in an agreement
12 for the conveyance of the residential real property or shown in
13 any other verifiable manner.

14 Section 7. Information unavailable to seller.

15 If at the time the disclosures are required to be made, an
16 item of information required to be disclosed is unknown or not
17 available to the seller and the seller has made an effort to
18 ascertain it, the seller may make a disclosure based on the best
19 information available to the seller, provided it is identified
20 as a disclosure based on an incomplete factual basis.

21 Section 8. Information subsequently rendered inaccurate.

22 If information disclosed in accordance with this act is
23 subsequently rendered inaccurate as a result of any act,
24 occurrence or agreement subsequent to the delivery of the
25 required disclosures, the inaccuracy resulting therefrom does
26 not constitute a violation of this act.

27 Section 9. Affirmative duty of seller.

28 The seller is not obligated by this act to make any specific
29 investigation or inquiry in an effort to complete the disclosure
30 statement. IN COMPLETING THE DISCLOSURE STATEMENT, THE SELLER

<—

1 SHALL NOT MAKE ANY REPRESENTATIONS WHICH HE OR HIS AGENT KNOW OR
2 HAVE REASON TO KNOW ARE FALSE, DECEPTIVE OR MISLEADING.

3 Section 10. Nonliability of seller.

4 (a) General rule.--A seller shall not be liable for any
5 error, inaccuracy or omission of any information delivered
6 pursuant to this act if:

7 (1) the seller had no knowledge of the error, inaccuracy
8 or omission;

9 (2) the error, inaccuracy or omission was based on a
10 reasonable belief that a material defect or other matter not
11 disclosed had been corrected; or

12 (3) the error, inaccuracy or omission was based on
13 information provided by a public agency, licensed engineer,
14 land surveyor, structural pest control inspector, ~~public~~ <—
15 ~~agency~~, home inspector or contractor about matters within the
16 scope of the contractor's occupation and the seller had no
17 knowledge of the error, inaccuracy or omission.

18 (b) Delivery of information by public agency.--The delivery
19 of any information required to be disclosed by this act to a
20 prospective buyer by a public agency or other person providing
21 information required to be disclosed under this act shall be
22 deemed to comply with the requirements of this act and shall
23 relieve the seller or his agent of any further duty under this
24 act with respect to that item of information.

25 (c) Report by expert.--The delivery of a report or opinion
26 prepared by a licensed engineer, land surveyor, geologist,
27 structural pest control operator, contractor or other expert
28 dealing with matters within the scope of the professional's
29 license or expertise shall be sufficient compliance for
30 application of the exemption provided under subsection (a) <—

1 (A)(3) if the information is provided to the prospective buyer <—
2 under a request therefor, whether written or oral.

3 Section 11. Nonliability of agent.

4 An agent of a seller or a buyer shall not be liable for any
5 violation of this act unless the agent ~~knowingly acts in concert~~ <—
6 ~~with a seller or buyer to violate this act~~ HAD ACTUAL KNOWLEDGE <—
7 OF A MATERIAL DEFECT WHICH WAS NOT DISCLOSED TO THE BUYERS.

8 Section 12. Failure to comply.

9 A transfer subject to this act shall not be invalidated
10 solely because of the failure of any person to comply with any
11 provision of this act. However, any person who willfully or
12 negligently violates or fails to perform any duty prescribed by
13 any provision of this act shall be liable in the amount of
14 actual damages suffered by a buyer. A COURT MAY REQUIRE A PERSON <—
15 FOUND TO HAVE WILLFULLY VIOLATED THIS ACT TO PAY THE ATTORNEY
16 FEES AND COURT COSTS OF A BUYER WHO HAS SUFFERED DAMAGES
17 RELATING TO AN UNDISCLOSED MATERIAL DEFECT. IF A BUYER BECOMES
18 AWARE OF A PREVIOUSLY UNDISCLOSED MATERIAL DEFECT, THE BUYER MAY
19 RESCIND THE SALES CONTRACT PRIOR TO FINAL SETTLEMENT.

20 Section 13. Amendment of disclosure.

21 Any disclosure made pursuant to this act may be amended in
22 writing by the seller PRIOR TO THE SIGNING OF A WRITTEN <—
23 AGREEMENT BY THE SELLER AND BUYER THAT WOULD, SUBJECT TO THE
24 SATISFACTION OF ANY NEGOTIATED CONTINGENCIES, REQUIRE THE
25 PROSPECTIVE BUYER TO ACCEPT A TRANSFER OF THE RESIDENTIAL REAL
26 PROPERTY.

27 Section 14. Specification of items for disclosure no limitation
28 on other disclosure obligations.

29 (A) GENERAL RULE.--The specification of items for disclosure <—
30 in this act does not limit or abridge any obligation for

1 disclosure created by any other provision of law or which may
2 exist in order to avoid fraud, misrepresentation or deceit in
3 the transfer transaction.

4 (B) RESPONSIBILITY OF LICENSEE.--NOTHING IN THIS ACT SHALL <—
5 ABROGATE OR DIMINISH THE RESPONSIBILITY OF A LICENSEE UNDER THE
6 ACT OF FEBRUARY 19, 1980 (P.L.15, NO.9), KNOWN AS THE REAL
7 ESTATE LICENSING AND REGISTRATION ACT.

8 Section 15. Cause of action.

9 A buyer shall not have a cause of action against any seller
10 or agent for the seller or buyer for:

11 (1) material defects to the property disclosed to the
12 buyer prior to the signing of a written agreement by the
13 seller and buyer that would, subject to the satisfaction of
14 any negotiated contingencies, require the prospective buyer
15 to accept a transfer of the residential real property;

16 (2) material defects which have developed after the
17 signing of the written agreement by the seller and
18 prospective buyer that, subject to satisfaction of any
19 negotiated contingencies, require the prospective buyer to
20 accept a transfer of the residential real property, provided
21 the seller has complied with the terms of the written
22 agreement; or

23 (3) material defects which occur after final settlement.

24 Section 16. Effective date.

25 This act shall take effect in 60 days.