

HOUSE RESEARCH

Bill Summary

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Subject: Disclosure of real estate surveys by sellers of lake property

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Overview

This bill would add to the existing laws requiring that sellers of real estate and their real estate agents disclose certain things about the property to prospective buyers. Sellers and their agents are covered by separate but similar disclosure laws. This bill would add the existence of survey maps of the property to the list of things that must be disclosed if known. The bill applies only to property that is on a lake or has lake access.

Section

- 1** **Material facts.** Requires real estate agents (brokers and salespersons) to disclose to prospective buyers of lake property the existence of a survey map if known to the real estate agent. This applies only to survey maps that are owned or under control of the seller.
- 2** **Exceptions.** This section involves the existing disclosure requirements for sellers of real estate. The existing law provides an exemption from disclosure requirements for sales of a new home that has not been lived in. This section makes that exemption not apply to disclosure of a survey map.
- 3** **Contents.** Amends the existing law requiring a written disclosure by the seller to add the existence of a survey map for lake property, if the map is known to the seller and under the seller's control. If the existence of such a map is disclosed by the seller or real estate agent, requires the seller to provide the map, or a copy of it, to the buyer within five business days after the purchase agreement is signed. Provides that the map remains the property of the seller until the closing.

- 4** **Liability.** Amends an existing section providing that sellers are liable to buyers for failure to disclose material facts to clarify that the liability includes failure to disclose the existence of a survey map. (For the seller to be liable, the buyer would need to prove that disclosure of the survey map would have prevented some harm incurred by the buyer.)