

The 2023 Update of the Sellers Property Disclosure Document Is a Great Improvement

Every few years, the Division of Real Estate releases a revised Sellers Property Disclosure to be used by real estate brokers. A forms committee suggests revisions which then must be approved by the Colorado Real Estate Commission.

I wasn't a big fan of the version which was released in 2018, but I'm a big fan of the one which is mandatory beginning on January 1, 2023.

Some of the changes are subtle — for example, the seller is told to disclose adverse materials **facts** instead of **defects**. That makes sense, since there was no definition of "defect" in the 2018 version.

Other changes are more substantive. For example, instead of just asking if the property is in an HOA, it asks for the name of the association(s) and contact information for each. If the neighborhood has cluster mailboxes, it asks for the location and number of the mailbox.

At the top of the form, it asks when the seller acquired the property, not only the year it was built as in the 2018 form. It also asks the seller to attach any reports, receipts or other documents "you believe

necessary for the information you provide to be complete." There was no such request in the prior version.

The seller is asked whether the home is subject to deed restrictions or affordable housing restrictions, and whether it is in a historic district. This is new.

Another sign of the times is that instead of asking if there is or has been tobacco smoke, it refers only to "smoking" and adds in parentheses "including in garages, unfinished space, or detached buildings."

Under "Access and Parking," the form asks if there are any limitations on parking or access due to size, number and type of vehicles. Instead of asking if there are "any access problems," it asks the broader question of whether there are "access problems, **issues or concerns**." Those three words are used elsewhere to expand on the question of "problems."

In the section on "Use, zoning and legal issues," instead of asking simply whether any additions or alterations have been made, it specifies whether they were made with a building permit and without a building permit, including "non-aesthetic

alterations," which is undefined. It also asks whether the property has been used for short-term rentals in the past year and whether there are "grandfathered conditions or uses."

Under "Sewer," the form asks for the name of the sewer service provider, the date of the last sewer scope, the date of the last septic use permit, inspection, and pumping — all useful information.

In the "Water" section, the form asks for the location of the water shutoff. If there's a well, it asks the date of the last inspection and service. It asks the gallons per minute (GPM) of the well as of a specified date, and it asks the size in gallons of any cistern. Lastly, it asks whether the seller purchased any supplemental water in the last two years — an indication of the well's adequacy.

The form asks the seller to identify the electricity, cable TV and internet service providers.

The instructor of the class I took regarding these new contracts and disclosures reminded us that the sellers property disclosure is to be accurate **as of the date the home goes under contract**. Therefore, if the property goes under contract after Dec. 31, 2022, this new form must be completed by the seller, but it does not need to be replaced if the listing is already pending but does not **close** until 2023.

That led me to adopt a new "best practice" which I'll share here with my fellow listing agents. Instead of having the seller complete **and sign** the sellers property disclosure when I list the home, my practice henceforth will be to have the seller **complete** the document at the time of listing but to **review and sign** it only after going under contract with a buyer, thereby assuring that it is accurate as of the purchase contract date, as stated on the disclosure.



Lennar Project Features 3D Printed Homes

In the Texas Hill Country outside Austin, Lennar has broken ground on a 100-home subdivision in which all the homes will be built using ICON's 3D printing robots for the exterior and interior walls.

You can find a 1-minute YouTube video clip demonstrating the process on the posting of this article at www.GoldenREblog.com.

The bottom four homes in the aerial rendering at right show the various stages of the 3D printing process. After a home's slab is poured, an overhead gantry goes back and forth pouring 3-inch (I'm guessing) layers of concrete one on top of the other, following a computerized plan for the walls and openings.

Lennar is the first production builder I know of which has adopted ICON's proprietary 3D printing process to build an entire subdivision. The process eliminates most of the waste and labor associated with building the walls in homes.

The windows and doors are



framed conventionally, and wood trusses are added to support the roof.

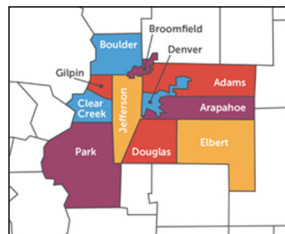
Developed by Hillwood Communities, the 3- and 4-bedroom homes offer eight different floorplans, with 24 unique elevations ranging from 1,500 to over 2,100 square feet.

The Georgetown, Texas, community, called Wolf Ranch, will "set the standard for the future of homebuilding — technologically advanced, energy efficient and architecturally striking," according to ICON.

The construction method is not only more sustainable but produces homes that are resistant to fires, floods, termites, and high-wind events.

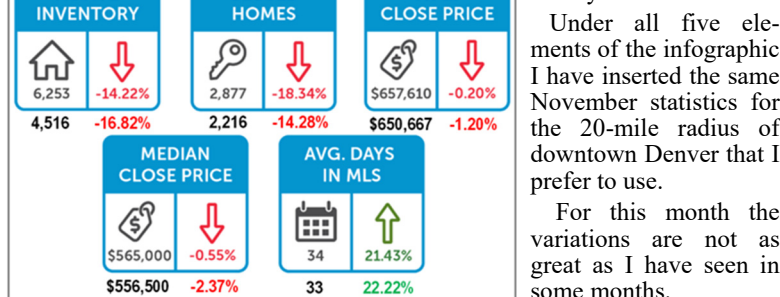
DMAR's 'Metro Area' Statistics Cover 11 Counties

What do the rural cities and towns of Kiowa, Agate, Simla, Fairplay, Georgetown, Empire, Black Hawk, Rollinsville, Nederland, Allenspark, Lyons, Longmont, and Bennett have in common? They're all included in the Denver metro area statistics compiled monthly by the Denver Metro Association of Realtors for its market trends report. At right is a map of the 11 counties included in that report.



REcolorado, the Denver MLS, allows infinite flexibility in drawing the boundaries when searching for listings or doing statistical analysis, so my preference is always to draw a radius of 20 miles from downtown Denver when compiling metro statistics.

Below is this month's infographic from DMAR showing the November month-over-month statistics for their 11-county "metro area."



Under all five elements of the infographic I have inserted the same November statistics for the 20-mile radius of downtown Denver that I prefer to use.

For this month the variations are not as great as I have seen in some months.

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