

324.360 Form for seller's disclosure of conditions.

- (1) This section shall apply to sales and purchases involving single-family residential real estate dwellings if any person licensed under this chapter receives compensation.
- (2) The commission shall promulgate an administrative regulation authorizing a "seller's disclosure of conditions form."
- (3) The form shall provide for disclosure by the seller of the following:
 - (a) Basement condition and whether it leaks;
 - (b) Roof condition and whether it leaks;
 - (c) Source and condition of water supply;
 - (d) Source and condition of sewage service;
 - (e) Working condition of component systems; and
 - (f) Other matters the commission deems appropriate.
- (4) The seller of the property shall complete and sign the form at the time he or she executes any listing agreement or similar agreement by which a licensee intends to market the property. A copy of the form shall be provided by the listing agent to any prospective buyer or a buyer's authorized representative upon request. A copy of the form shall be delivered by the listing agent to any prospective purchaser or his representative within seventy-two (72) hours of the listing agent's receipt of a written and signed offer to purchase. The listing agent shall solicit the signature of the buyer on a copy of the form which the listing agent shall retain in the principal broker's records. The signature shall evidence the listing agent's compliance with the provisions of this section. Should the buyer refuse to sign the form, the licensee shall record the buyer's refusal to sign on the form and retain a copy in his principal broker's records.
- (5) If the subject property is offered for sale by the property's owner without a listing agreement, any licensee involved in the transaction shall provide a blank form to the property's owner and shall request that the property's owner complete and sign the form. If the property's owner completes and signs the form, the licensee shall deliver the form to the buyer or potential buyer not later than one hundred twenty (120) hours after the creation of any executory contract for sale of the property. The licensee shall solicit the signature of the buyer on a copy of the form as delivered to the buyer or prospective buyer and shall retain the copy in his or her principal broker's records. The signature of the buyer or prospective buyer shall evidence the listing agent's compliance with the provisions of this section. Should the buyer refuse to sign the form, the licensee shall record the buyer's refusal to sign on the form and retain a copy in his or her principal broker's records.
- (6) The original of the form shall be retained by the listing broker or by the broker of any licensee who presents an offer on a property not subject to a listing agreement.
- (7) The form shall not be required for residential purchases of new homes if a warranty is offered, for a sale of real estate at an auction, or for a court supervised foreclosure.

- (8) If the seller refuses to complete and sign the form, his refusal shall be communicated in writing by the broker or sales associate who is involved in the transaction to the purchaser or prospective purchaser, without unreasonable delay.
- (9) It shall be a violation of this chapter for a licensee to complete any portion of the form unless the licensee is the owner of the property or has been requested by the owner to complete the form. The request shall be acknowledged in writing on the form and the licensee shall be held harmless for any representation that appears on the form.

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History: Amended 2000 Ky. Acts ch. 488, sec. 29, effective July 14, 2000. -- Created 1992 Ky. Acts ch. 448, sec. 1, effective July 14, 1992.