



**NEW MEXICO ASSOCIATION OF REALTORS®
ADVERSE MATERIAL FACTS DISCLOSURE STATEMENT - 2021**



SELLER PROVIDES THIS DISCLOSURE STATEMENT IN ORDER TO DISCLOSE TO BUYER(S) AND PROSPECTIVE BUYER(S) ADVERSE MATERIAL FACTS CONCERNING THE PROPERTY ABOUT WHICH SELLER HAS *ACTUAL KNOWLEDGE*.

DISCLOSURE STATEMENT TO BE COMPLETED BY SELLER, NOT BROKER

This Disclosure Statement involves certain real property located at:

ADDRESS

CITY

ZIP CODE

 IMPORTANT DEFINITIONS 

ADVERSE MATERIAL FACTS: An “ADVERSE MATERIAL FACT” is a fact that would significantly affect the desirability or value of the property to a reasonable person.

ACTUAL KNOWLEDGE: “ACTUAL KNOWLEDGE” means the Seller has direct and clear knowledge of things, without investigation, analysis or review. **ACTUAL KNOWLEDGE** is not what the Seller should have known or could have found out. **This Disclosure Statement is strictly based on Seller’s ACTUAL KNOWLEDGE of ADVERSE MATERIAL FACTS relating to the Property as of the date Seller completes this Disclosure Statement.**

AUTHORIZATION AND HOLD HARMLESS: Seller hereby authorizes Listing Broker to provide a copy of this Disclosure Statement to any person or entity in connection with any actual or anticipated sale of the Property. Seller further agrees to indemnify and hold Listing Broker and Brokerage harmless from all claims for damages based upon the disclosures made in this Disclosure Statement and for Seller’s failure to disclose any **ADVERSE MATERIAL FACTS** known to the Seller.

SELLER REPRESENTATIONS: Seller affirms that the information contained in this Disclosure Statement is correct to Seller's **ACTUAL KNOWLEDGE** as of the date signed by Seller. Seller warrants that he/she has prepared this Disclosure Statement and any attachments hereto and that this Disclosure Statement encompasses all **ADVERSE MATERIAL FACTS** concerning the Property that are actually known to the Seller as of the date signed by Seller. If Seller becomes aware of any changes in the foregoing information, Seller shall update this Disclosure Statement promptly after discovery. If the Property is part of a Common Interest Community, this Disclosure Statement is limited to the Property or Unit itself, unless otherwise indicated.

Seller to check all that apply:

- Seller currently occupies the Property. _____ (beginning date)
- Seller occupied the Property from _____ to _____ (dates).
- Seller has never occupied the Property.
- Property is currently leased.
- Property includes a residential dwelling(s) built prior to 1978.
- Property is located within a HOA (Homeowners’ Association), COA (Condo Owners’ Association) or other Owners’ Association. *
- Property is located within a PID (Property Improvement District). *
- Property includes a Manufactured, Modular or Off-site Built Home(s). *
- Property is located within governmentally designated flood plain or wetland area.

* INFO SHEET(S): 4600 – Homeowners’ Association, 2356 – Condominium Association, 4500 – Public Improvement District Act, 2305 – Manufactured Housing

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! IMPORTANT NOTICE TO SELLER(S) !

- If Seller has no **ACTUAL KNOWLEDGE** of **ADVERSE MATERIAL FACTS** relating to the feature, fixture, and/or element, ***leave the section blank***. If more space is required, attach additional pages.
- Disclosure of **ADVERSE MATERIAL FACTS** applies to all features, fixtures, and/or elements and/or improvements located on the Property identified above. (e.g. homes, detached garages, carports, barns, studios, workshops, etc.).
- Seller is required to disclose all **ADVERSE MATERIAL FACTS** about which they have **ACTUAL KNOWLEDGE**, *even if they have never occupied the property*.
- If Seller becomes aware of any changes in the information contained herein, Seller shall update this Disclosure Statement ***promptly*** after discovery. (See NMAR Form 1110A – Addendum to Adverse Material Facts Disclosure Statement).
- Each element of the Property listed below includes several specific examples of features or fixtures associated with that element. Neither the list of elements, nor the list of examples include all possible elements of the Property or features associated with those elements. Seller's disclosure of **ADVERSE MATERIAL FACTS** associated with the Property or an element should not be limited to the examples provided.

1. ACCESS (Easements, Private, Public, Shared Road Agreements, etc.)

Describe any known issues such as: Legal Disputes Concerning Access, Uninsurable Access, etc.

2. APPLIANCES (Dishwashers, Dryers, Microwaves, Refrigerators, Ranges, Washers, etc.)

Describe any known issues such as: Inefficient/Non-Cooling Refrigerators, Non-Functioning Range Burners, etc.

3. BASEMENTS AND/OR SUBTERRAIN CONSTRUCTION

Describe any known issues such as: Evidence of Water, Flooding, Leakage, Moisture, Sump Pump, etc.



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- 4. BUILDING/STRUCTURAL (Ceilings, Doors, Exterior/Interior Walls, Flooring, Slabs, Windows, etc.)**
Describe any known issues such as: Damaged Flooring, Damaged Walls, Inadequate Insulation, Windows with Broken Seals, etc.
- 5. BUILT-IN SYSTEMS (Garage Openers, Intercoms, Security Systems, Smart House Technology, etc.)**
Describe any known issues such as: Damaged Security System, Non-Functioning Garage Door Motor, etc.
- 6. DOMESTIC WATER SUPPLY (Associations, City/Municipal, Community, Storage Tanks, Wells, etc.)**
Describe known issues such as: Failing Systems, Low Supply/Production, Poor Quality, Restrictions, etc.
INFO SHEET(S): 2307 – Water Rights and Domestic Wells
- 7. ELECTRICAL AND/OR WIRING (Cable, Electrical, Ethernet, Telephone, etc.)**
Describe known issues such as: Faulty Systems, Faulty Wiring, Non-Functioning Switch or Receptacle, etc.



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8. FLOODING

Describe known issues such as: Damage Caused by Failing or Broken Pipes, Flooding, Draining, Grading Problems, Standing Water, etc.

9. FOUNDATION

Describe known issues such as: Cracking, Inferior Design and/or Construction, Reinforcement, Settling, etc.

10. HAZARDOUS, ENVIRONMENTAL AND TOXIC

Describe known issues such as: Asbestos, Clandestine Drug Laboratories, Environmentally Sensitive Area, Landfill or Waste Dump, Cannabis Production, Mold, Radon, Reports of Lead-Based Paint, Underground Storage Tanks, etc.

INFO SHEET(S): 2306 – Clandestine Drug Laboratory Remediation, 2309 – Mold, 2314 – Radon, 2315 – Lead-Based Paint (LBP) Renovation Repair and Painting Program

11. HEATING AND/OR AIR-CONDITIONING SYSTEMS

Describe known issues such as: Heating or Cooling Systems Incorrectly Sized for Square Footage, Rooms without Heating and/or Cooling, Damaged or Non-Functioning Systems, Inferior Installation, etc.



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12. INSURANCE CLAIMS, PAST DAMAGE AND/OR REMEDIES

Describe known issues such as: Fire and/or Smoke Damage, Hail Damage, Remediated Element/Feature, Water Damage, etc.

13. IRRIGATION RIGHTS AND SYSTEMS (*Not Domestic Wells*)

Describe any known issues such as: Disputed Rights, Failing Systems, Low Production Ditches or Wells, etc.
INFO SHEET(S): 2307 – Water Rights and Domestic Wells

14. NOISE, ODORS AND/OR POLLUTION

Describe known issues such as: Continuous or Periodic Noise (e.g. flight path, highway/traffic noise, animals), Continuous or Periodic Odors, Pet Odors, etc.

15. PEST OR ANIMAL INFESTATION AND/OR DAMAGE

Describe known issues such as: Damage caused by Animals, Rodent Infestation, Termites, etc.



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16. PLUMBING (Gas Lines, Radiant Heating, Sprinkler Systems, Water Heaters, Water Supply Lines, etc.)
Describe known issues such as: Leaks, Failing Systems, Inferior Products (e.g. Entran II, Kitec, Polybutylene), Low or Excessive Water Pressure, etc.
INFO SHEET(S): 7600 – Polybutylene, Kitec and Entran II

17. POOLS, SPAS AND/OR SAUNA
Describe known issues such as: Leaks, Failing Systems (e.g. Motors, Pumps, Filters), Inferior Installation, etc.

18. RENEWABLE ENERGY (Hydropower, Solar, Wind Turbines, etc.)
Describe known issues such as: Failing or Non-Functioning Systems (e.g. Panels, Converters, Batteries, Turbines), Inferior Installation, Inadequate Design, etc.
INFO SHEET(S): 5130 – Solar System Panel

19. ROOFS, GUTTERS AND/OR DOWNSPOUTS
Describe known issues such as: Leaks, Clogged Gutters and/or Downspouts, Deterioration, Failing Systems, Flat Spots, Inferior Construction and/or Products, Inferior Installation, Ponding, etc.



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20. SEWER AND/OR SEPTIC SYSTEM(S)

Describe known issues such as: Back-ups, Clogging, Failing Leach Field, Inferior Installation, Cracked or Leaking Holding Tanks, Sewer Line(s) Intrusion(s), etc.

INFO SHEET(S): 2308 – Septic Systems

21. SOIL, VEGETATION AND/OR LANDSCAPING

Describe any known issues such as: Contaminated Soil, Diseased and/or Dying Trees, Infested Shrubs, Non-Fertile Soil, etc.

22. SUPPLEMENTAL WATER SUPPLY (AGRICULTURAL/LIVESTOCK) – Dirt Tanks, Livestock Wells, Storage Tanks, Streams, etc.

Describe known issues such as: Failing Systems, Low Supply/Production, Poor Quality, Restrictions, etc.

INFO SHEET(S): 2307 – Water Rights and Domestic Wells

23. USE, ZONING AND/OR LEGAL

Describe known issues such as: Citations from Government Entity, Covenants, Deed Restrictions, First Right of Refusal, HOA/COA/LOA Restrictions/Bylaws, Judgements, Lawsuits or Legal Proceedings, Liens, Un-Permitted Construction and/or Repairs, Variances, Zoning, Violations of New Mexico Subdivision Act, etc.



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24. OTHER



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⚠ IMPORTANT NOTICE TO SELLER(S) AND BUYER(S) ⚠

The PURCHASE AGREEMENT, NOT this DISCLOSURE STATEMENT, determines whether an item is included in or excluded from the sale.

SELLER(S) warrants that the information herein is true, correct, and complete to the best of the Seller's ACTUAL KNOWLEDGE and belief as of the date signed by Seller.

SELLER SIGNATURE _____ PRINTED NAME _____ DATE (REQUIRED) _____ TIME _____

SELLER SIGNATURE _____ PRINTED NAME _____ DATE (REQUIRED) _____ TIME _____

SELLER SIGNATURE _____ PRINTED NAME _____ DATE (REQUIRED) _____ TIME _____

BUYER'S DUE DILIGENCE: This Disclosure Statement is not a substitute for any inspections the Buyer may wish to obtain. Buyer is advised to exercise all his rights under and in accordance with the Purchase Agreement to investigate the Property. Unless otherwise waived, Buyer(s) may complete any and all inspections of the Property that he deems necessary. The Buyer's rights to object to inspections and terminate the Agreement based on inspections are set forth in the Inspections Paragraph of the Purchase Agreement. Buyer is advised to thoroughly review those rights and understand the process. **The fact this Disclosure Statement fails to disclose an adverse material fact concerning a particular feature, fixture, and/or element of the Property DOES NOT imply that the same is free of defects.**

BUYER(S) acknowledges receipt of this DISCLOSURE STATEMENT.

BUYER SIGNATURE _____ PRINTED NAME _____ DATE _____ TIME _____

BUYER SIGNATURE _____ PRINTED NAME _____ DATE _____ TIME _____

BUYER SIGNATURE _____ PRINTED NAME _____ DATE _____ TIME _____