

CHAPTER 219

PROPERTY

HOUSE BILL 07-1156

BY REPRESENTATIVE(S) Looper, Lambert, Curry, Gardner C., Kerr J., Liston, McFadyen, Rose, Sonnenberg, Carroll M., Hicks, Madden, Romanoff, Stafford, Summers, and Labuda; also SENATOR(S) Gordon, Schultheis, Tupa, and Penry.

AN ACT

CONCERNING THE DISCLOSURE OF WATER SOURCES IN CONNECTION WITH THE SALE OF RESIDENTIAL REAL PROPERTY.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. Article 35.7 of title 38, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

38-35.7-104. Disclosure of potable water source - rules. (1) (a) (I) BY JANUARY 1, 2008, THE REAL ESTATE COMMISSION CREATED IN SECTION 12-61-105, C.R.S., SHALL, BY RULE, REQUIRE EACH LISTING CONTRACT, CONTRACT OF SALE, OR SELLER'S PROPERTY DISCLOSURE FOR RESIDENTIAL REAL PROPERTY THAT IS SUBJECT TO THE COMMISSION'S JURISDICTION PURSUANT TO ARTICLE 61 OF TITLE 12, C.R.S., TO DISCLOSE THE SOURCE OF POTABLE WATER FOR THE PROPERTY, WHICH DISCLOSURE SHALL INCLUDE SUBSTANTIALLY THE FOLLOWING INFORMATION:

THE SOURCE OF POTABLE WATER FOR THIS REAL ESTATE IS:

- A WELL;**
- A WATER PROVIDER, WHICH CAN BE CONTACTED AS FOLLOWS:**

NAME: _____

ADDRESS: _____

WEB SITE: _____

TELEPHONE: _____

NEITHER A WELL NOR A WATER PROVIDER. THE SOURCE IS [DESCRIBE]: _____

SOME WATER PROVIDERS RELY, TO VARYING DEGREES, ON

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

NONRENEWABLE GROUND WATER. YOU MAY WISH TO CONTACT YOUR PROVIDER TO DETERMINE THE LONG-TERM SUFFICIENCY OF THE PROVIDER'S WATER SUPPLIES.

(II) ON AND AFTER JANUARY 1, 2008, EACH LISTING CONTRACT, CONTRACT OF SALE, OR SELLER'S PROPERTY DISCLOSURE FOR RESIDENTIAL REAL PROPERTY THAT IS NOT SUBJECT TO THE REAL ESTATE COMMISSION'S JURISDICTION PURSUANT TO ARTICLE 61 OF TITLE 12, C.R.S., SHALL CONTAIN A DISCLOSURE STATEMENT IN BOLD-FACED TYPE THAT IS CLEARLY LEGIBLE IN SUBSTANTIALLY THE SAME FORM AS IS SPECIFIED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH (a).

(b) IF THE DISCLOSURE STATEMENT REQUIRED BY PARAGRAPH (a) OF THIS SUBSECTION (1) INDICATES THAT THE SOURCE OF POTABLE WATER IS A WELL, THE SELLER SHALL ALSO PROVIDE WITH SUCH DISCLOSURE A COPY OF THE CURRENT WELL PERMIT IF ONE IS AVAILABLE.

(2) THE OBLIGATION TO PROVIDE THE DISCLOSURE SET FORTH IN SUBSECTION (1) OF THIS SECTION SHALL BE UPON THE SELLER. IF THE SELLER COMPLIES WITH THIS SECTION, THE PURCHASER SHALL NOT HAVE ANY CLAIM UNDER THIS SECTION FOR RELIEF AGAINST THE SELLER OR ANY PERSON LICENSED PURSUANT TO ARTICLE 61 OF TITLE 12, C.R.S., FOR ANY DAMAGES TO THE PURCHASER RESULTING FROM AN ALLEGED INADEQUACY OF THE PROPERTY'S SOURCE OF WATER. NOTHING IN THIS SECTION SHALL AFFECT ANY REMEDY THAT THE PURCHASER MAY OTHERWISE HAVE AGAINST THE SELLER.

(3) FOR PURPOSES OF THIS SECTION, "RESIDENTIAL REAL PROPERTY" MEANS RESIDENTIAL LAND AND RESIDENTIAL IMPROVEMENTS, AS THOSE TERMS ARE DEFINED IN SECTION 39-1-102, C.R.S., BUT DOES NOT INCLUDE HOTELS AND MOTELS, AS THOSE TERMS ARE DEFINED IN SECTION 39-1-102, C.R.S.; EXCEPT THAT A MOBILE HOME AND A MANUFACTURED HOME, AS THOSE TERMS ARE DEFINED IN SECTION 39-1-102, C.R.S., SHALL BE DEEMED TO BE RESIDENTIAL REAL PROPERTY ONLY IF THE MOBILE HOME OR MANUFACTURED HOME IS PERMANENTLY AFFIXED TO A FOUNDATION.

SECTION 2. Effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution, (August 8, 2007, if adjournment sine die is on May 9, 2007); except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: May 14, 2007