

# ASSEMBLY, No. 2391

## STATE OF NEW JERSEY 214th LEGISLATURE

INTRODUCED MARCH 4, 2010

**Sponsored by:**

**Assemblyman HERB CONAWAY, JR.**

**District 7 (Burlington and Camden)**

**Assemblyman JACK CONNERS**

**District 7 (Burlington and Camden)**

**SYNOPSIS**

Require property condition disclosure statements for real estate sales.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT requiring property condition disclosure statements and  
2 supplementing P.L.1999, c.76 (C.56:8-19.1).

3  
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6  
7 1. a. Notwithstanding any other law to the contrary, a real  
8 estate broker, broker-salesperson or salesperson licensed under  
9 R.S.45:15-1 shall obtain a completed property condition disclosure  
10 statement from the seller. The real estate broker, broker-  
11 salesperson or salesperson shall provide the disclosure statement to  
12 the buyer, and inform the buyer that the seller is the source of  
13 information. Nothing in this subsection shall be interpreted to affect  
14 the obligations of a real estate broker, broker-salesperson or  
15 salesperson pursuant to the "New Residential Construction Off-Site  
16 Conditions Disclosure Act," P.L.1995, c.253 (C.46:3C-1 et seq.), or  
17 any other law or regulation.

18 b. Notwithstanding any other law to the contrary, a seller of  
19 real property who is not using the services of a real estate broker,  
20 broker-salesperson or salesperson licensed under R.S.45:15-1 for  
21 the purposes of the sale, shall provide a completed property  
22 condition disclosure statement to the buyer. Nothing in this  
23 subsection shall be construed to limit the right of recovery of  
24 punitive damages, attorney fees, or both, under section 7 of  
25 P.L.1971, c.247 (C.56:8-19) against the seller.

26 c. The property condition disclosure statement required  
27 pursuant to subsections a. and b. of this section shall comply with  
28 regulations promulgated by the director, in consultation with the  
29 New Jersey Real Estate Commission, and shall include, but not be  
30 limited to, information regarding:

31 (1) the level of seller's expertise in contracting, engineering,  
32 architecture or other areas related to the construction and conditions  
33 of the property and its improvements; and

34 (2) whether the property has ever suffered any water damage,  
35 leakage, accumulation, or dampness, including, but not limited to,  
36 in any basement or crawl spaces.

37 d. This section shall not be construed so as to require a  
38 property condition disclosure statement to be completed by the  
39 seller and provided to the buyer for the sale of : commercial  
40 property; timeshare property, as defined in section 2 of P.L.2006,  
41 c.63 (C.45:15-16.51); or new construction, as defined in section 1  
42 of P.L.1968, c.49 (C.46:15-5).

43  
44 2. This act shall take effect on the first day of the seventh month  
45 after enactment.

STATEMENT

This bill requires sellers of real property to complete a property condition disclosure statement, to be provided to the buyer. The statement must comply with regulations promulgated by the Director of Consumer Affairs, in consultation with the New Jersey Real Estate Commission. Specifically, the disclosure statement must include information about the level of the seller's expertise and whether the property has ever suffered water damage or leakage.

In cases where the seller provides the information to his real estate broker or salesperson, the broker or salesperson is required to forward it to the buyer and inform the buyer that the seller is the source of information. The bill specifies that its disclosure requirement does not affect real estate broker's or salesperson's obligations under the "New Residential Construction Off-Site Conditions Disclosure Act."

In addition, the bill specifies that in private sales, where the seller does not use a real estate broker or salesperson and provides the disclosure statement directly to the buyer, the statement does not limit the buyer's right of recovery against the seller under the Consumer Fraud Act.

The bill specifies that its requirement that a property condition disclosure statement is completed by the seller and provided to the buyer does not extend to the sale of new construction or to the sale of commercial or timeshare properties.