



**NEW MEXICO ASSOCIATION OF REALTORS® — 2023
PROPERTY DISCLOSURE STATEMENT
(ADVERSE MATERIAL FACTS)**

ATTENTION SELLER AND BUYER!

Per the NMAR Purchase Agreements, Seller is required to disclose all Adverse Material Facts relating to the Property about which Seller has actual knowledge, including defects which the Buyer could determine through their own due diligence. *Failure to comply with this requirement could expose Seller to claims of breach of contract, misrepresentation and/or fraud.*

 **IMPORTANT DEFINITIONS** 

ACTUAL KNOWLEDGE: “ACTUAL KNOWLEDGE” means the Seller has direct and clear knowledge of things, without investigation, analysis, or review. Seller is under no obligation to conduct inspections to determine what Adverse Material Facts may exist on and/or around the Property, which is why it is important for Buyer to exercise their rights under the Purchase Agreement to fully inspect all aspects of the Property. 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.

ADVERSE MATERIAL FACTS: “ADVERSE MATERIAL FACTS” are facts that would affect the desirability or value of the property to a reasonable person.

DISCLOSURE NOT REQUIRED: Per New Mexico law, Seller is NOT required to disclose the following suspicions or facts, and no cause of action shall arise against a seller or any brokers involved in the transaction for failure to disclose the following suspicions or facts. Further, the failure to make a disclosure of any of the following shall not be deemed to be grounds for termination or rescission of any sale or exchange:

- The Property was the site of a natural death;
- The Property was the site of a homicide, suicide, assault, sexual assault or any other crime punishable as a felony; or
- The Property was owned or occupied by a person who was exposed to, infected with or suspected to be infected with the human immunodeficiency virus or diagnosed to be suffering from acquired immune deficiency syndrome or any other disease that has been determined by medical evidence as highly unlikely to be transmittable to others through the occupancy of improvements to real property or that is not known to be transmitted through the occupancy of improvements located on that real property.

NEWLY DISCOVERED ADVERSE MATERIAL FACTS: Adverse Material Facts which Seller discovers AFTER Seller has delivered their initial Adverse Material Facts Disclosure to Buyer. Newly Discovered Adverse Material Facts do not include Adverse Material Facts that Buyer becomes aware of through their own due diligence.

REMEDIED ADVERSE MATERIAL FACTS: An Adverse Material Fact that previously existed, but that Seller has replaced, repaired or otherwise remedied in such a way and to such an extent that Seller is confident that the Adverse Material Fact no longer exists. In order to feel confident that an Adverse Material Fact is a Remediated Adverse Material Fact, Seller must have had sufficient time and opportunity to observe the repair or replacement in order to confirm the repair or replacement remedied the Adverse Material Fact.

PROPERTY: ALL features, fixtures, elements and/or improvements located on the Property (e.g. homes, detached garages, carports, barns, studios, workshops, etc.), even if a specific element and/or improvement is not listed.





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! IMPORTANT INSTRUCTIONS !

DISCLOSURE OF REMEDIATED ADVERSE MATERIAL FACTS. Seller is not required to disclose Remediated Adverse Material Facts; **HOWEVER, SEE BELOW.**

SELLER BEWARE: If you elect not to disclose a Remediated Adverse Material Fact because you believe the issue has been fully remediated and it is later revealed that the repair, replacement or remedy did not in fact fully and completely remediate the issue, and as a result, the Buyer suffers damages, then you may be liable to the Buyer for those damages. For this reason, please consider the following:

1. Disclosing the Remediated Adverse Material Fact;
2. Disclosing how the Remediated Adverse Material Fact was remediated (for example, was it repaired or replaced); and
3. Providing any invoices paid to third-party vendors for the remediation of the Remediated Adverse Material Fact.

BUYER: You are encouraged to confirm with your own inspectors and/or appropriate professionals that any remediation of a Remediated Adverse Material Fact did in fact fully and completely remediate the Remediated Adverse Material Fact.

DISCLOSURE IS REQUIRED EVEN IF SELLER DID NOT OCCUPY PROPERTY. Seller is required to disclose all ADVERSE MATERIAL FACTS about which they have ACTUAL KNOWLEDGE, *even if they have never occupied the Property.*

CHECK THE BOX AT THE END OF EACH SECTION TO INDICATE NO KNOWLEDGE OF ADVERSE MATERIAL FACTS. If Seller has no ACTUAL KNOWLEDGE of ADVERSE MATERIAL FACTS relating to the feature, fixture, and/or element, check the box at the end of each section. **NOTE: EVERY SECTION SHOULD EITHER DISCLOSE AN ADVERSE MATERIAL FACT RELATING TO THAT SECTION OR INDICATE THAT SELLER HAS NO KNOWLEDGE OF ADVERSE MATERIAL FACTS RELATED TO THAT ELEMENT OF THE PROPERTY.**

NEWLY DISCOVERED ADVERSE MATERIAL FACTS. Seller **MUST** update this Disclosure Statement *promptly* after discovery of any Newly Discovered Adverse Material Facts (See NMAR Form 1110A – Addendum to Adverse Material Facts Disclosure Statement). Buyer’s right to object to the Newly Discovered Adverse Material Facts is set forth in the Purchase Agreement.

EXAMPLES PROVIDED ARE NOT ALL INCLUSIVE. Each element of the Property listed include several specific examples of features or fixtures associated with that element of the Property. Neither the list of elements, nor the list of examples, includes all possible elements of the Property or features associated with those elements. **Seller’s disclosures should NOT be limited to the examples provided.**

ATTACH AN EXHIBIT IF MORE SPACE IS NEEDED. If more space is required to disclose ADVERSE MATERIAL FACTS for any given section or for an issue for which there is no section, attach an exhibit (NMAR Form 2200) indicating the section number, if applicable, and the Adverse Material Facts being disclosed.

INFORMATION SHEETS AVAILABLE. Buyers and Sellers are encouraged to request copies of the information sheets referenced in this Adverse Material Facts Disclosure Statement. For a complete list of information sheets available through NMAR, ask your Broker.



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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:

4720 and 4740 N Hazel St Los Lunas NM 87031

Address (Street, City, State, Zip Code)

Legal Description _____

or see metes and bounds or other legal description attached as Exhibit _____, _____ County(ies), New Mexico.

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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7/1/19



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

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

NA

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

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

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

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

3. BASEMENTS AND/OR SUBTERRAIN CONSTRUCTION

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

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

4. BUILDING/STRUCTURAL (Ceilings, Doors, Exterior/Interior Walls, Flooring, Slabs, Windows, etc.)

Describe any known issues such as: Damaged Security System, Non-Functioning Garage Door Motor, etc.

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic



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- 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.

NA

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

- 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

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

- 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.

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

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

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic



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9. FOUNDATION

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

NA

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

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

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

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.

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

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.

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic



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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

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

14. NOISE, ODORS AND/OR POLLUTION

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

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

15. PEST OR ANIMAL INFESTATION AND/OR DAMAGE

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

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

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

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic



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17. POOLS, SPAS AND/OR SAUNA

Describe known issues such as: Leaks, Failing Systems (e.g. Motors, Pumps, Filters), Inferior Installation, etc.

NA

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

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

NA

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

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.

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

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

NEW INSTALLED 4-25-21

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic



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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.

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

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

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

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.

If checked, Seller affirms no actual knowledge of adverse material facts regarding this topic

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.

Kenneth Padilla Sr

8-18-2023

10th AM

Seller Signature

Printed Name

Date

Time

Seller Signature

Printed Name

Date

Time

If additional signature lines are needed, please use NMAR Form 1150 — Signature Addendum

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

If additional signature lines are needed, please use NMAR Form 1150 — Signature Addendum