



## Arizona Department of Real Estate (ADRE)

Development Services Division

[www.azre.gov](http://www.azre.gov)

100 North 15<sup>th</sup> Avenue, Suite 201, Phoenix, Arizona 85007

KATIE HOBBS  
GOVERNOR

SUSAN NICOLSON  
COMMISSIONER

### SUBSEQUENT OWNER EXEMPTION PETITION (FORM Q)

As a subsequent owner of lots located in a single platted subdivision for which there is a current and accurate public disclosure report **ISSUED WITHIN THE PAST 5 YEARS**, the subsequent owner may qualify for an exemption that allows for the use of the public disclosure report or last amended public disclosure report in lieu of obtaining a new public disclosure report if no material changes other than ownership and financing have been made which would require a new public disclosure report. If the subsequent owner determines they qualify for the exemption, the following information is required. **Submit the completed forms and ALL supporting documents through the Message Center at [www.azre.gov](http://www.azre.gov) – Development Services, click [here](#).** All other subsequent owners who are beyond the 5 year limitation described above, are subject to the requirements pursuant to A.R.S. § 32-2181.

- Before sale or lease, the subsequent owner shall notify the Commissioner of the subsequent owner's intent to sell or lease lots or parcels pursuant to A.R.S. § 32-2181.02(B)(2) and R4-28-A1201. The notice shall include:

**A. Subsequent Owner Information**

☐ Original Petition or ☐ Amended Petition

Subsequent Owner Name:	Telephone:	Email Address:	
Mailing Address:	City:	State:	Zip:

**B. Check box if the information is included in this application:**

- ☐ IF entity: Submit proof registered at Arizona Corporation Commission (copy of Articles);
- ☐ Arizona Secretary of State (copy of partnership agreement), etc.
- ☐ Document of Recorded ownership interest in the property;
- ☐ Deed of Trust;
- ☐ Options:
- ☐ Deed; or
- ☐ Other (Specify): \_\_\_\_\_
- ☐ Current Preliminary title report on lots purchased;
- ☐ IF financing documents encumber all lots; submit encumbrance document copy and provide lot release provisions;

**C. Real Estate Broker retained by the subdivider to offer sales and/or leases of the lots**

Designated ("DB") Name:	DB License #:	DB Telephone Number:	DB Email:	
DB Address:		City:	State:	Zip:

**D. Subdivision and Public Disclosure Report Information:**

**NOTE: DISCLOSURE REPORT MUST BE ISSUED WITHIN THE LAST FIVE (5) YEARS.**

Subdivision Name (as shown on public disclosure report):	Disclosure Report Reg. Number:	Disclosure Report Eff Date:	
Subdivision Location:	City:	County:	State:
Subdivision Legal Description:			
Amendment date (s):			
Lot Nos intended for sale:			

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- E. Are **ALL** *subdivision* improvements complete? ☐ Yes ☐ No. If "No", include the status of any incomplete improvements with estimated date of completion and attach documentation for assurance of completion.

Status of incomplete improvements:

- F. The most recent copy of the public disclosure report is included? ☐ Yes ☐ No

**Check box if the following information is included in this application and/or agreed upon:**

- ☐ Yes ☐ No The subsequent owner provided documentation demonstrating compliance with the assured water supply requirements described in A.R.S. 32-2181(C). If the subdivision is within an active management area, as defined in section 45-402, the subdivider accompanied the notice with a certificate of assured water supply issued by the director of water resources and proof that all applicable fees have been paid pursuant to sections 48-3772 and 48-3774.01; **OR (See the following statement)**
- ☐ Yes ☐ No The subdivider has obtained a written commitment of water service for the subdivision from a city, town or private water company designated as having an assured water supply by the director of water resources pursuant to section 45-576; or is exempt from the requirement pursuant to section 45-576;
- ☐ Yes ☐ No Except for matters relating to ownership, there have been no material changes to the public disclosure report that would require an amendment to the public disclosure report.
- ☐ Yes ☐ No Has any owner of a ten per cent or greater interest, subdivider, director, partner, agent, officer or developer of the subdivision been convicted of a felony or crime as described in A.R.S. §32-2181.02(B)(i) or civil judgment entered against them pursuant to §32-2181.02(B)(ii); or suspension, revocation or denial of a business license during an investigative or disciplinary proceeding as prescribed in §32-2181.02(B)(iii)? **IF "Yes", attach a detailed explanation and required documentation in Disclosure Document Checklist (Form LI-400).**
- ☐ Yes ☐ No The lots or parcels are included on a recorded subdivision plat that is approved by a municipal or county government.
- ☐ Yes ☐ No All roads within the subdivision are complete, paid for and free of any blanket encumbrances.
- ☐ Yes ☐ No All utilities to the lots or parcels being offered for sale or lease are complete, paid for and free of any blanket encumbrances.
- ☐ Yes ☐ No All other required improvements within the subdivision, other than residence to be built, are complete, paid for and free of any blanket encumbrances.
- ☐ Yes ☐ No A copy of the Purchase Contract and All Addendums is attached.

**2. Prior to buyer signing any contract the developer must:**

- Provide the buyer with a copy of the public disclosure report on the lot as cited in the notice to the Commissioner and take a signed receipt from the buyer for the copy; and
- Provide buyer with the Subsequent Owners Exemption issued by the Arizona Department of Real Estate in compliance with A.R.S. §32-2181.02(B)(2).

THE ABOVE IS NOT A COMPLETE SUMMARY OF A.R.S. § 32-2181.02(B)(2). THE ADRE Law Book can be viewed by [clicking here](#).

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#### 3. DISCIPLINARY ACTION DISCLOSURE. FAILURE TO ANSWER THE FOLLOWING QUESTIONS IN COMPLETE DETAIL WILL DELAY THE PROCESSING OF THIS APPLICATION

Each applicant for a Subsequent Owner Exemption must answer the following questions. If the applicant is not an individual but is an entity (e.g., a corporation, partnership, limited liability company or trust), answers must be provided by each of the partners, officers, members, beneficiaries, managers or managerial employees of the applicant, and **every other individual or entity that exercises control (as defined in A.R.S. §32-2101(17)) over the applicant or holds a 10% or greater interest in the applicant.** If you answer "yes" to any question, provide a signed, detailed statement describing the facts and circumstances, including the date, time and location of the incident or event. You must also provide supporting documentation identified on Department form LI-400, Document Checklist, as provided in A.A.C. R4-28-301, in order for your application to be considered complete. You can obtain this form either at the Licensing front counter or on our website at [www.azre.gov](http://www.azre.gov).

#### DISCIPLINARY ACTION DISCLOSURE QUESTIONS

1) Have you ever been convicted of any <b>felony</b> in Arizona or any other state?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
2) Are you currently in a deferred period or a diversion program, having been convicted of a Class 6 undesignated offense, which has not yet been designated as a felony or misdemeanor as of the date of this application?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
3) Are you currently incarcerated, paroled, or on probation because of any conviction?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
4) In the past 10 years, have you been convicted of any <b>misdemeanor</b> in Arizona or any other state? <b>Note: You do not need to report minor traffic citations, which do not constitute a misdemeanor or felony offense. D.U.I. is not a minor traffic offense and must be reported.</b>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
5) In the past 10 years, have you had a professional or occupational license or registration of any kind denied, suspended, restricted, or revoked?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
6) In the past 10 years, have you had an administrative order or any other disciplinary action taken against any license issued to you by any local, state or federal regulatory agency or voluntarily surrendered any license during the course of an investigation or disciplinary proceeding?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
7) In the past 10 years, have you had any Subdivision Disclosure Report or Registration to Sell real estate, timeshares, cemetery lots or campground memberships denied, suspended or revoked?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
8) In the past 10 years, have you entered into any consent decree, or had an injunction (either temporary or permanent), a suspension, an order, or a judgment issued which prohibited or restricted you from engaging in any profession or occupation?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
9) In the past 10 years, have you had any judgment or order entered against you by any court involving fraud, dishonesty, misrepresentation, unfair trade practice or moral turpitude?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
10) In the past 10 years, have you had any judgment or order entered against you by any court arising out of the conduct of any business in real estate, cemetery property, timeshare intervals or membership campgrounds?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
11) Are you the subject of a current investigation or pending disciplinary action with the Arizona Department of Real Estate?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
12) Has any real estate recovery fund, or similar fund EVER made a payment that was charged against you or against a business for which you were the qualifying party?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
13) Within the past 10 years, has any person or entity in a controlling position over the applicant declared bankruptcy, or held any interest in any corporation, partnership or limited liability company that has declared bankruptcy?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
If information on any "yes" answer above was previously provided to the Department, indicate the date and reason it was provided. You are not required to provide this information again if it is on file at the Department.		
I certify, under penalty of perjury under the laws of the State of Arizona, that I am authorized to sign on behalf of the applicant and that the foregoing answers and statements given in this application and any statement that I have attached are true and correct and applicable for all persons and entities required to provide answers.		
Owner – Applicant (Developer/Subdivider) Name:		
Printed Name of Authorized Party:	Signature of Authorized Party:	Date:

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### AFFIDAVIT OF APPLICANT

I hereby certify under penalty that the statements contained in this application constitute notice of intention to sell and/or lease subdivided lands, and that the statements together with any documents submitted herewith are full, true, complete and correct.

I further affirm and swear that I will not, over any period of time or by any means, re-subdivide any of the herein described lots or dispose of or offer to dispose of subdivided lands not contained in the Subdivision Public Disclosure Report, without first complying with the provisions of A.R.S. §32-2181 et seq., and that I will notify the Department of Real Estate of any change to the information in this application.

I further certify that, if this application has not been submitted on the standard form prepared by the Arizona Department of Real Estate, applicant agrees that the Department may take any action deemed necessary to ensure compliance with the subdivision laws if, after issuing a Subdivision Public Disclosure Report, the Department discovers errors, omissions or deficiencies in the application or Subdivision Public Disclosure Report based on the application. The applicant further agrees to completely indemnify the Department, the State of Arizona, its agents and employees from any and all liability caused, in whole or in part, by use of a nonstandard form.

I am dually authorized to prepare and am the person responsible for the content of this application and accompanying Subdivision Public Disclosure Report.

STATE OF: \_\_\_\_\_

COUNTY OF: \_\_\_\_\_

RE: Subdivision Name (Print):  
\_\_\_\_\_

Subsequent owner name (Print):  
\_\_\_\_\_

\_\_\_\_\_  
Signature of subsequent owner

\_\_\_\_\_  
Date

**PLEASE NOTE THAT YOU MUST SIGN IN THE PRESENCE OF A NOTARY PUBLIC**

Subscribed and sworn before me this date:

Place Notary Seal / Stamp below

\_\_\_\_\_  
Notary Public Signature

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#### Notice to Applicant Pursuant to A.R.S. § 41-1030

An agency shall not base a licensing decision in whole or in part on a licensing requirement or condition that is not specifically authorized by statute, rule or state tribal gaming compact. A general grant of authority in statute does not constitute a basis for imposing a licensing requirement or condition unless a rule is made pursuant to that general grant of authority that specifically authorizes the requirement or condition.

This section may be enforced in a private civil action and relief may be awarded against the State. The court may award reasonable attorney fees, damages and all fees associated with the license application to a party that prevails in an action against the state for a violation of this section.

A State employee may not intentionally or knowingly violate this section. A violation of this section is cause for disciplinary action or dismissal pursuant to the Agency's adopted personnel policy.

This section does not abrogate the immunity provided by section 12-820.01 or 12-820.02