

SUBDIVISION RESOURCES

Arizona Department of Real Estate (ADRE)

- Regulates sales of Subdivisions and Unsubdivided lands pursuant to A.R.S Title 32, Chapter 20, Article 3, 4 & 7.
- Processes Public Disclosure Report Applications
- Investigates complaints and takes enforcement action

Message Center

Questions/forms for submitting a Public Disclosure Report Application should be submitted through ADRE's Message Center - Development Services at www.azre.gov.

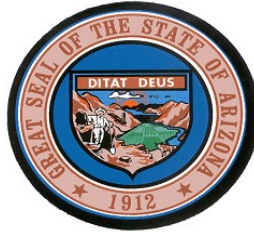
Submit Consumer Complaint through ADRE's Message Center - www.azre.gov/complaints
ADRE **cannot** give legal advice, or provide guidance beyond direction to forms and resources.

Existing Public Disclosure Report Search

Search www.azre.gov for existing Public Reports issued, and if not found, a Public Records Request can be submitted through the Online Message Center at www.azre.gov Public Records.

Arizona Government Agency & Legal Resources

- Arizona Real Estate Law Book (Online) - www.azre.gov
- Development Services Forms (Online) - www.azre.gov
- ADRE Public Database (Licensee search) - www.azre.gov
- Arizona Corporation Commission - www.azcc.gov
- (Arizona County Recorder websites can be located through a general Online search.)



Doug Ducey
Governor

Judy Lowe
Commissioner

Arizona Department of Real Estate
100 N. 15th Ave., Suite 201
Phoenix, AZ 85007

Contact ADRE
www.azre.gov
Online Message Center
"Development Services"



Subdivision Public
Disclosure Report

"Public Report"

Arizona Department of Real Estate
(ADRE)

TEAM
"Together Everyone Achieves More"

Developer or Owner. Do I Need a Public Disclosure Report? (DisclosurReport)?

When is a Public Report required?

Subdivider - Any person (natural person or legal entity) who offers for sale or lease 6 or more lots, parcels or fractional interests in a subdivision or who causes land to be divided into a subdivision, [A.R.S. § 32-2101\(55\)](#).

Subdivision - Improved or unimproved land divided or proposed to be divided for the purpose of **sale** or **lease**, whether immediate or future, into six or more lots, parcels or fractional interests, A.R.S. §32-2101(56).

Subdividing also applies when offering for sale or lease individual lots in an **existing subdivision** when the individual or legal entity currently own 6 or more lots, or have previously owned 6 or more lots in the subdivision. This includes Condominiums.

A subdivider shall not offer for sale any lots in a subdivision without first obtaining a Public Report (Disclosure Report). [A.R.S 32-2183\(F\)](#)

Does not include: a) leasehold offerings of one year or less, or leasehold offering of agricultural lands, apartments, hotels, pads offices, stores. b) A sale or lease of a lot, parcel or fractional interest that occurs ten or more years after the sale or lease of another lot, parcel or fractional interest and is treated as an independent parcel unless, upon investigation by the commissioner, there is evidence of intent to subdivide.

Special Order of Exemption

An owner may petition for a Special Order of Exemption under the provisions of [A.R.S. § 32-2181.01](#). The issuance of a Special Order of Exemption is discretionary and the fee is non-refundable.

Common Questions

Subdivision Public Report Questions

Question: The previous owner of the subdivision of six or more lots or parcels did not have a Public Report. Do I need to obtain a Public Report?

Answer: Yes

Question: The previous owner of the subdivision of six or more lots or parcels had a Public Report? Do I need to obtain a Public Report?

Answer: Yes. A new owner would need to obtain a public report, or subsequent owners exemption pursuant to [A.R.S § 32-2181.02](#).

Question: The subdivision of six or more lots or parcels is an established community with completed infrastructure, i.e. roads and utilities. Do I need to obtain a Public Report?

Answer: Yes. A Petition for a Special Order of Exemption may be submitted for approval, which is at the discretion of ADRE.

Question: The owners of six or more lots or parcels have received building permits from the city or county. Is a Public Report Required?

Answer: Yes. The owners must obtain a Public Report.

Question: Can I file an incomplete application?

Answer: No.... A deficient or incomplete application will be immediately returned to the submitter, with no processing by ADRE.

Question: Are there penalties for Subdivision violations?

Answer: Yes. Examples are: 1) Buyer rescission; 2) \$1,000. Civil penalty for each infraction; 3) Consent Order; 4) Cease and Desist.

Purchaser. Should I receive a Public Disclosure Report ?

A subdivider (owner of six or more lots or parcels) must make the report available to each initial prospective buyer or lessee customer and furnish a copy of the Public Disclosure Report before the buyer or lessee signs any offer to purchase or lease, requires a receipt. A.R.S. §32-2183(A), [click here](#).

For a property in an unincorporated area a purchaser may contact the county where the property is located to obtain the property legal description. Developments in unincorporated areas may not require a Public Report, and may be considered a minor land division, up to five lots or parcels.

Public Disclosure Includes (not limited to)

- Land legal description and features;
- Ownership and condition of title;
- Subdivision map per County Recorder filing;
- Statement of permanent access, subdivision improvements, e.g., streets, utilities, water, sewer, recreational facilities, etc, and location of the nearest public schools;
- A true statement of assurances for the completion of off-site improvements;
- Statement as to whether all or any portion of the subdivision is located in the vicinity of a military airport;
- Statement of the Buyer's costs, ie. approximate annual taxes, special assessments or fees for the proposed annual maintenance of common facilities.
- Community Services;
- Rescission of rights for purchasers; and
- See A.R.S. 32-2181, [click here](#) for a complete list.