By: Estes

S.B. No. 1412

A BILL TO BE ENTITLED

| 1 | AN ACT |
|----|---|
| 2 | relating to seller's disclosures in connection with residential |
| 3 | real property subject to groundwater regulation. |
| 4 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: |
| 5 | SECTION 1. Section 5.008(b), Property Code, is amended to |
| 6 | read as follows: |
| 7 | (b) The notice must be executed and must, at a minimum, read |
| 8 | substantially similar to the following: |
| 9 | SELLER'S DISCLOSURE NOTICE |
| 10 | CONCERNING THE PROPERTY AT |
| 11 | (Street Address and City) |
| 12 | |
| 13 | THIS NOTICE IS A DISCLOSURE OF SELLER'S KNOWLEDGE OF |
| 14 | THE CONDITION OF THE PROPERTY AS OF THE DATE SIGNED BY |
| 15 | SELLER AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR |
| 16 | WARRANTIES THE PURCHASER MAY WISH TO OBTAIN. IT IS NOT |
| 17 | A WARRANTY OF ANY KIND BY SELLER OR SELLER'S AGENTS. |
| 18 | Seller is is not occupying the Property. |
| 19 | If unoccupied, how long since Seller has occupied the Property? |
| 20 | |
| 21 | 1. The Property has the items checked below: |
| 22 | Write Yes (Y), No (N), or Unknown (U). |
| 23 | |

| 1 | Range | Oven | Microwave |
|----|----------------------------|----------------------|--------------------|
| 2 | Dishwasher | Trash Compactor | Disposal |
| 3 | Washer/Dryer | Window | Rain Gutters |
| 4 | Hookups | Screens | |
| 5 | Security | Fire Detection | Intercom |
| 6 | System | Equipment | System |
| 7 | | Smoke Detector | |
| 8 | | Smoke Detector - | |
| 9 | | Hearing Impaired | |
| 10 | | Carbon Monoxide | |
| 11 | | Alarm | |
| 12 | | Emergency Escape | |
| 13 | | Ladder(s) | |
| 14 | TV Antenna | Cable TV | Satellite |
| 15 | | Wiring | Dish |
| 16 | <pre> Ceiling Fan(s)</pre> | Attic Fan(s) | Exhaust |
| 17 | | | Fan(s) |
| 18 | Central A/C | Central Heating | Wall/Window |
| 19 | | | Air |
| 20 | | | Conditioning |
| 21 | Plumbing System | Septic System | Public Sewer |
| 22 | | | System |
| 23 | <pre> Patio/Decking</pre> | Outdoor Grill | Fences |
| 24 | Pool | Sauna | Spa |
| 25 | | | Hot Tub |
| 26 | Pool Equipment | Pool Heater | Automatic Lawn |
| 27 | | | Sprinkler |

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|----|---|------------------------|
| 1 | | System |
| 2 | Fireplace(s) & | Fireplace(s) & |
| 3 | Chimney | Chimney |
| 4 | (Woodburning) | (Mock) |
| 5 | Natural Gas Lines | Gas Fixtures |
| 6 | Liquid Propane Gas: LP Community | LP on Property |
| 7 | (Captive) | |
| 8 | Garage: Attached Not Attached | Carport |
| 9 | Garage Door Opener(s): Electronic | <pre> Control(s)</pre> |
| 10 | Water Heater: Gas | Electric |
| 11 | Water Supply: City Well MUD | Co-op |
| 12 | Roof Type: | Age:(approx) |
| 13 | Are you (Seller) aware of any of the above | items that are not in |
| 14 | working condition, that have known defects, | or that are in need of |
| 15 | repair? Yes No Unknown. | |
| 16 | If yes, then describe. (Attach additional s | heets if necessary): |
| 17 | | |
| 18 | | |
| 19 | 2. Does the property have working smoke | detectors installed in |
| 20 | accordance with the smoke detector require | ements of Chapter 766, |
| 21 | Health and Safety Code?* Yes No V | Unknown. |
| 22 | If the answer to the question above | is no or unknown, |
| 23 | explain. (Attach additional sheets if neces | ssary): |
| 24 | | |
| 25 | | |
| 26 | *Chapter 766 of the Health and | Safety Code requires |
| | | |

27 one-family or two-family dwellings to have working smoke detectors

installed in accordance with the requirements of the building code 1 2 in effect in the area in which the dwelling is located, including performance, location, and power source requirements. If you do 3 4 not know the building code requirements in effect in your area, you may check unknown above or contact your local building official for 5 more information. A buyer may require a seller to install smoke 6 7 detectors for the hearing impaired if: (1) the buyer or a member of the buyer's family who will reside in the dwelling is hearing 8 9 impaired; (2) the buyer gives the seller written evidence of the hearing impairment from a licensed physician; and (3) within 10 10 11 days after the effective date, the buyer makes a written request for the seller to install smoke detectors for the hearing impaired and 12 specifies the locations for installation. The parties may agree 13 who will bear the cost of installing the smoke detectors and which 14 15 brand of smoke detectors to install.

16 3. Are you (Seller) aware of any known defects/malfunctions in any 17 of the following?

18 Write Yes (Y) if you are aware, write No (N) if you are not aware.

| 20 | <pre> Interior Walls</pre> | Ceilings | Floors |
|----|----------------------------|------------------------|-----------|
| 21 | Exterior Walls | Doors | Windows |
| 22 | Roof | Foundation/ | Basement |
| 23 | | Slab(s) | |
| 24 | Walls/Fences | Driveways | Sidewalks |
| 25 | Plumbing/Sewers/ | Electrical | Lighting |
| 26 | Septics | Systems | Fixtures |
| 27 | Other Structural C | omponents (Describe):_ | |

| 1 | | | | |
|----|--|--|--|--|
| 2 | | | | |
| 3 | If the answer to any of the above is yes, explain. (Attach | | | |
| 4 | additional sheets if necessary): | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | 4. Are you (Seller) aware of any of the following conditions? | | | |
| 8 | Write Yes (Y) if you are aware, write No (N) if you are not aware. | | | |
| 9 | | | | |
| 10 | Active Termites Previous Structural | | | |
| 11 | (includes or Roof Repair | | | |
| 12 | wood-destroying insects) | | | |
| 13 | Termite or Wood Rot Damage Hazardous or Toxic Waste | | | |
| 14 | Needing Repair | | | |
| 15 | Previous Termite Damage Asbestos Components | | | |
| 16 | Previous Termite Urea formaldehyde | | | |
| 17 | Treatment Insulation | | | |
| 18 | Previous Flooding Radon Gas | | | |
| 19 | Improper Drainage Lead Based Paint | | | |
| 20 | Water Penetration Aluminum Wiring | | | |
| 21 | Located in 100-Year Previous Fires | | | |
| 22 | Floodplain | | | |
| 23 | Present Flood Insurance Unplatted Easements | | | |
| 24 | Coverage | | | |
| 25 | Landfill, Settling, Soil Subsurface | | | |
| 26 | Movement, Fault Lines Structure or Pits | | | |
| 27 | Single Blockable Main Previous Use of Premises | | | |

Drain in Pool/Hot for Manufacture of 1 2 Tub/Spa* Methamphetamine If the answer to any of the above is yes, explain. (Attach 3 additional sheets if necessary):____ 4 5 6 7 *A single blockable main drain may cause a suction entrapment hazard for an individual. 8 9 5. Are you (Seller) aware of any item, equipment, or system in or on the property that is in need of repair? ___ Yes (if you are 10 11 aware) ___ No (if you are not aware). If yes, explain (attach additional 12 sheets as necessary). 13 6. Are you (Seller) aware of any of the following? 14 15 Write Yes (Y) if you are aware, write No (N) if you are not aware. 16 17 ___Room additions, structural modifications, or other alterations or repairs made without necessary permits or not in compliance 18 with building codes in effect at that time. 19 __Homeowners' Association or maintenance fees or assessments. 20 __Any "common area" (facilities such as pools, tennis courts, 21 walkways, or other areas) co-owned in undivided interest with 22 23 others. ___Any notices of violations of deed restrictions or governmental 24 ordinances affecting the condition or use of the Property. 25 ___Any lawsuits directly or indirectly affecting the Property. 26

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S.B. No. 1412 ___Any condition on the Property which materially affects the 1 2 physical health or safety of an individual. ___Any rainwater harvesting system located on the property that is 3 4 larger than 500 gallons and that uses a public water supply as an auxiliary water source. 5 __Any portion of the property that is located in a groundwater 6 7 conservation district, a subsidence district, or other special purpose district with the authority to regulate the withdrawal 8 9 of groundwater. If the answer to any of the above is yes, explain. (Attach 10 11 additional sheets if necessary): 12 13 14 7. If the property is located in a coastal area that is seaward of 15 the Gulf Intracoastal Waterway or within 1,000 feet of the mean high 16 tide bordering the Gulf of Mexico, the property may be subject to the Open Beaches Act or the Dune Protection Act (Chapter 61 or 63, 17 Natural Resources Code, respectively) and a beachfront 18 construction certificate or dune protection permit may be required 19 20 for repairs or improvements. Contact the local government with 21 ordinance authority over construction adjacent to public beaches 22 for more information. 23 24 Signature of Seller Date The undersigned purchaser hereby acknowledges receipt of the 25 26 foregoing notice. 27

| 1 | Date Signature of Purchaser |
|---|---|
| 2 | SECTION 2. Section 5.008(b), Property Code, as amended by |
| 3 | this Act, applies only to a transfer of property that occurs on or |
| 4 | after the effective date of this Act. A transfer of property that |
| 5 | occurs before the effective date of this Act is governed by the law |
| ~ | |

applicable to the transfer immediately before that date, and the 6 7 former law is continued in effect for that purpose. For purposes of this section, a transfer of property occurs before the effective 8 9 date of this Act if the contract binding the purchaser to purchase the property is executed before that date. 10

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SECTION 3. This Act takes effect September 1, 2015.