

A BILL TO BE ENTITLED

AN ACT

relating to seller's disclosure of certain residential real property conditions and related property insurance issues.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 5.008(b), Property Code, is amended to read as follows:

(b) The notice must be executed and must, at a minimum, read substantially similar to the following:

SELLER'S DISCLOSURE NOTICE

CONCERNING THE PROPERTY AT _____
(Street Address and City)

THIS NOTICE IS A DISCLOSURE OF SELLER'S KNOWLEDGE OF THE CONDITION OF THE PROPERTY AS OF THE DATE SIGNED BY SELLER AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PURCHASER MAY WISH TO OBTAIN. IT IS NOT A WARRANTY OF ANY KIND BY SELLER OR SELLER'S AGENTS.

Seller ___ is ___ is not occupying the Property.

If unoccupied, how long since Seller has occupied the Property?

1. The Property has the items checked below:

Write Yes (Y), No (N), or Unknown (U).

- | | | |
|--|---|--|
| <input type="checkbox"/> Range | <input type="checkbox"/> Oven | <input type="checkbox"/> Microwave |
| <input type="checkbox"/> Dishwasher | <input type="checkbox"/> Trash Compactor | <input type="checkbox"/> Disposal |
| <input type="checkbox"/> Washer/Dryer | <input type="checkbox"/> Window | <input type="checkbox"/> Rain Gutters |
| <input type="checkbox"/> Hookups | <input type="checkbox"/> Screens | |
| <input type="checkbox"/> Security System | <input type="checkbox"/> Fire Detection Equipment | <input type="checkbox"/> Intercom System |
| | <input type="checkbox"/> Smoke Detector | |
| | <input type="checkbox"/> Smoke Detector - | |
| | <input type="checkbox"/> Hearing Impaired | |
| | <input type="checkbox"/> Carbon Monoxide | |

- 1 Alarm
- 2 ___ Emergency Escape
- 3 Ladder(s)
- 4 ___ TV Antenna ___ Cable TV ___ Satellite
- 5 Wiring ___ Dish
- 6 ___ Ceiling Fan(s) ___ Attic Fan(s) ___ Exhaust
- 7 Fan(s)
- 8 ___ Central A/C ___ Central Heating ___ Wall/Window
- 9 Air
- 10 Conditioning
- 11 ___ Plumbing System ___ Septic System ___ Public Sewer
- 12 System
- 13 ___ Patio/Decking ___ Outdoor Grill ___ Fences
- 14 ___ Pool ___ Sauna ___ Spa
- 15 ___ Hot Tub
- 16 ___ Pool Equipment ___ Pool Heater ___ Automatic Lawn
- 17 Sprinkler
- 18 System
- 19 ___ Fireplace(s) & ___ Fireplace(s) &
- 20 Chimney Chimney
- 21 (Woodburning) (Mock)
- 22 ___ Natural Gas Lines ___ Gas Fixtures
- 23 ___ Liquid Propane Gas: ___ LP Community ___ LP on Property
- 24 (Captive)
- 25 Garage: ___ Attached ___ Not Attached ___ Carport
- 26 Garage Door Opener(s): ___ Electronic ___ Control(s)
- 27 Water Heater: ___ Gas ___ Electric
- 28 Water Supply: ___ City ___ Well ___ MUD ___ Co-op
- 29 Roof Type: _____ Age: _____(approx)

30 Are you (Seller) aware of any of the above items that are not in
 31 working condition, that have known defects, or that are in need of
 32 repair? ___ Yes ___ No ___ Unknown.

33 If yes, then describe. (Attach additional sheets if necessary):

34 _____
 35 _____

36 2. Does the property have working smoke detectors installed in
 37 accordance with the smoke detector requirements of Chapter 766,
 38 Health and Safety Code?* ___ Yes ___ No ___ Unknown.

39 If the answer to the question above is no or unknown,
 40 explain. (Attach additional sheets if necessary): _____

41 _____

1 _____

2 *Chapter 766 of the Health and Safety Code requires

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

4 installed in accordance with the requirements of the building code

5 in effect in the area in which the dwelling is located, including

6 performance, location, and power source requirements. If you do

7 not know the building code requirements in effect in your area, you

8 may check unknown above or contact your local building official for

9 more information. A buyer may require a seller to install smoke

10 detectors for the hearing impaired if: (1) the buyer or a member of

11 the buyer's family who will reside in the dwelling is hearing

12 impaired; (2) the buyer gives the seller written evidence of the

13 hearing impairment from a licensed physician; and (3) within 10

14 days after the effective date, the buyer makes a written request for

15 the seller to install smoke detectors for the hearing impaired and

16 specifies the locations for installation. The parties may agree

17 who will bear the cost of installing the smoke detectors and which

18 brand of smoke detectors to install.

19 3. Are you (Seller) aware of any known defects/malfunctions in any

20 of the following?

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

- | | | | | | | | |
|----|---|--|--|-----------------------------------|---|---|------------------------------------|
| 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| | <input type="checkbox"/> Interior Walls | <input type="checkbox"/> Exterior Walls | <input type="checkbox"/> Roof | <input type="checkbox"/> Ceilings | <input type="checkbox"/> Doors | <input type="checkbox"/> Foundation/
Slab(s) | <input type="checkbox"/> Driveways |
| | <input type="checkbox"/> Walls/Fences | <input type="checkbox"/> Plumbing/Sewers/
Septics | <input type="checkbox"/> Electrical
Systems | <input type="checkbox"/> Floors | <input type="checkbox"/> Windows | <input type="checkbox"/> Basement | <input type="checkbox"/> Sidewalks |
| | | | | | <input type="checkbox"/> Lighting
Fixtures | | |

30 Other Structural Components (Describe): _____

31 _____

1 _____
2 If the answer to any of the above is yes, explain. (Attach
3 additional sheets if necessary): _____
4 _____
5 _____

6 4. Are you (Seller) aware of any of the following conditions?
7 Write Yes (Y) if you are aware, write No (N) if you are not aware.

- | | | | |
|----|--|------------------------------|-------------------------|
| 8 | 9 | ___ Active Termites | ___ Previous Structural |
| 10 | | (includes | or Roof Repair |
| 11 | | wood-destroying insects) | |
| 12 | ___ Termite or Wood Rot Damage | ___ Hazardous or Toxic Waste | |
| 13 | Needing Repair | | |
| 14 | ___ Previous Termite Damage | ___ Asbestos Components | |
| 15 | ___ Previous Termite | ___ Urea formaldehyde | |
| 16 | Treatment | ___ Insulation | |
| 17 | ___ Previous Flooding] | ___ Radon Gas | |
| 18 | ___ Improper Drainage] | ___ Lead Based Paint | |
| 19 | ___ Water Penetration] | ___ Aluminum Wiring | |
| 20 | ___ Located in 100-Year | ___ Previous Fires | |
| 21 | Floodplain] | | |
| 22 | ___ Present Flood Insurance | ___ Unplatted Easements | |
| 23 | Coverage] | | |
| 24 | ___ Landfill, Settling, Soil | ___ Subsurface | |
| 25 | Movement, Fault Lines | Structure or Pits | |
| 26 | ___ Single Blockable Main | ___ Previous Use of Premises | |
| 27 | Drain in Pool/Hot | for Manufacture of | |
| 28 | Tub/Spa* | Methamphetamine | |

29 If the answer to any of the above is yes, explain. (Attach
30 additional sheets if necessary): _____
31 _____
32 _____

33 *A single blockable main drain may cause a suction entrapment
34 hazard for an individual.

35 4-a. Are you (Seller) aware of any of the following conditions?

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

- 37
38 ___ Previous Flooding
39 ___ Improper Drainage

- 1 Water Penetration
- 2 Located in 100-Year
- 3 Floodplain
- 4 Present Flood Insurance
- 5 Coverage
- 6 Located in a Flood Pool
- 7 Located in a Flood Reservoir

8 If the answer to any of the above is yes, explain. (Attach
 9 additional sheets if necessary): _____

10 _____
 11 _____

12 5. Are you (Seller) aware of any item, equipment, or system in or
 13 on the property that is in need of repair? ___ Yes (if you are
 14 aware) ___ No (if you are not aware). If yes, explain (attach
 15 additional sheets as necessary).

16 _____

17 6. Are you (Seller) aware of any of the following?

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

- 19 ___
- 20 Room additions, structural modifications, or other
- 21 alterations or repairs made without necessary permits or not
- 22 in compliance with building codes in effect at that time.
- 23 ___ Homeowners' Association or maintenance fees or assessments.
- 24 ___ Any "common area" (facilities such as pools, tennis courts,
- 25 walkways, or other areas) co-owned in undivided interest with
- 26 others.
- 27 ___ Any notices of violations of deed restrictions or
- 28 governmental ordinances affecting the condition or use of the
- 29 Property.
- 30 ___ Any lawsuits directly or indirectly affecting the Property.
- 31 ___ Any condition on the Property which materially affects the
- 32 physical health or safety of an individual.
- 33 ___ Any rainwater harvesting system located on the property that
- 34 is larger than 500 gallons and that uses a public water supply
- 35 as an auxiliary water source.
- 36 ___ Any portion of the property that is located in a groundwater
- 37 conservation district or a subsidence district.

38 If the answer to any of the above is yes, explain. (Attach
 39 additional sheets if necessary): _____

40 _____

1 _____
2 7. If the property is located in a coastal area that is seaward of
3 the Gulf Intracoastal Waterway or within 1,000 feet of the mean high
4 tide bordering the Gulf of Mexico, the property may be subject to
5 the Open Beaches Act or the Dune Protection Act (Chapter 61 or 63,
6 Natural Resources Code, respectively) and a beachfront
7 construction certificate or dune protection permit may be required
8 for repairs or improvements. Contact the local government with
9 ordinance authority over construction adjacent to public beaches
10 for more information.

11 8. This property may be located near a military installation and
12 may be affected by high noise or air installation compatible use
13 zones or other operations. Information relating to high noise and
14 compatible use zones is available in the most recent Air
15 Installation Compatible Use Zone Study or Joint Land Use Study
16 prepared for a military installation and may be accessed on the
17 Internet website of the military installation and of the county and
18 any municipality in which the military installation is located.

19 9. You may want to consider purchasing a separate insurance policy
20 that provides flood insurance coverage. If you do not have a
21 separate insurance policy that provides flood insurance coverage,
22 flood damage to this property caused by winds and rain may not be
23 covered by insurance. Please discuss with your insurance agent the
24 advisability of purchasing a separate insurance policy that
25 provides flood insurance coverage.

26 10. If the property is located in an area eligible for windstorm
27 insurance coverage provided by the Texas Windstorm Insurance

1 Association, construction, repairs, and other structural changes
2 to the property may require a certificate of compliance before the
3 association can issue that coverage. A certificate of compliance,
4 such as a WPI-8 or WPI-8-C, indicates the construction, repairs, or
5 structural changes made to the property meet the windstorm building
6 code requirements for the property on the date the certificate was
7 issued. More information about windstorm building code
8 requirements for coverage provided by the Texas Windstorm Insurance
9 Association may be available at www.TWIA.org.

10 _____
11 Date Signature of Seller

12 The undersigned purchaser hereby acknowledges receipt of the
13 foregoing notice.

14 _____
15 Date Signature of Purchaser

16 SECTION 2. Section 5.008(b), Property Code, as amended by
17 this Act, applies only to a transfer of property that occurs on or
18 after the effective date of this Act. A transfer of property that
19 occurs before the effective date of this Act is governed by the law
20 applicable to the transfer immediately before that date, and the
21 former law is continued in effect for that purpose. For the
22 purposes of this section, a transfer of property occurs before the
23 effective date of this Act if the contract binding the purchaser to
24 purchase the property is executed before that date.

25 SECTION 3. This Act takes effect September 1, 2019.