



# TEXAS ASSOCIATION OF REALTORS® SELLER'S DISCLOSURE NOTICE

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Section 5.008, Property Code requires a seller of residential property of not more than one dwelling unit to deliver a Seller's Disclosure Notice to a buyer on or before the effective date of a contract. **This form complies with and contains additional disclosures which exceed the minimum disclosures required by the Code.**

CONCERNING THE PROPERTY AT 5870 Huber Rd Seguin

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 BUYER MAY WISH TO OBTAIN. IT IS NOT A WARRANTY OF ANY KIND BY SELLER, SELLER'S AGENTS, OR ANY OTHER AGENT.

Seller ☒ is ☐ is not occupying the Property. If unoccupied (by Seller), how long since Seller has occupied the Property?  
☐ \_\_\_\_\_ or ☐ never occupied the Property

## Section 1. The Property has the items marked below: (Mark Yes (Y), No (N), or Unknown (U).)

*This notice does not establish the items to be conveyed. The contract will determine which items will & will not convey.*

Item	Y	N	U
Cable TV Wiring	X		
Carbon Monoxide Det.		X	
Ceiling Fans	X		
Cooktop	X		
Dishwasher	X		
Disposal	X		
Emergency Escape Ladder(s)		X	
Exhaust Fans		X	
Fences		X	
Fire Detection Equip.	X		
French Drain		X	
Gas Fixtures		X	
Natural Gas Lines		X	

Item	Y	N	U
Liquid Propane Gas:		X	
-LP Community (Captive)		X	
-LP on Property		X	
Hot Tub		X	
Intercom System		X	
Microwave	X		
Outdoor Grill	X		
Patio/Decking	X		
Plumbing System	X		
Pool		X	
Pool Equipment		X	
Pool Maint. Accessories		X	
Pool Heater		X	

Item	Y	N	U
Pump: <input type="checkbox"/> sump <input type="checkbox"/> grinder		X	
Rain Gutters		X	
Range/Stove	X		
Roof/Attic Vents	X		
Sauna		X	
Smoke Detector	X		
Smoke Detector – Hearing Impaired			X
Spa		X	
Trash Compactor		X	
TV Antenna		X	
Washer/Dryer Hookup	X		
Window Screens	X		
Public Sewer System		X	

Item	Y	N	U	Additional Information
Central A/C	X			<input checked="" type="checkbox"/> electric <input type="checkbox"/> gas number of units: <u>1</u>
Evaporative Coolers		X		number of units: _____
Wall/Window AC Units	X			number of units: <u>1</u>
Attic Fan(s)		X		if yes, describe: _____
Central Heat	X			<input checked="" type="checkbox"/> electric <input type="checkbox"/> gas number of units: <u>1</u>
Other Heat	X			if yes, describe: <u>EARTH STOVE</u>
Oven	X			number of ovens: <u>2</u> <input checked="" type="checkbox"/> electric <input type="checkbox"/> gas <input type="checkbox"/> other: _____
Fireplace & Chimney	X			<input checked="" type="checkbox"/> wood <input type="checkbox"/> gas logs <input type="checkbox"/> mock <input type="checkbox"/> other: <u>1</u>
Carport	X			<input type="checkbox"/> attached <input checked="" type="checkbox"/> not attached
Garage	X			<input checked="" type="checkbox"/> attached <input type="checkbox"/> not attached
Garage Door Openers	X			number of units: <u>1</u> number of remotes: <u>2</u>
Satellite Dish & Controls	X			<input type="checkbox"/> owned <input checked="" type="checkbox"/> leased from <u>Dish Network</u>
Security System	X			<input checked="" type="checkbox"/> owned <input type="checkbox"/> leased from <u>Protect All Security</u>
Water Heater	X			<input checked="" type="checkbox"/> electric <input type="checkbox"/> gas <input type="checkbox"/> other: <u>2</u> number of units: _____
Water Softener	X			<input type="checkbox"/> owned <input checked="" type="checkbox"/> leased from <u>Colligan</u>
Underground Lawn Sprinkler	X			<input checked="" type="checkbox"/> automatic <input type="checkbox"/> manual areas covered: <u>Front Half 1 Acre</u>
Septic / On-Site Sewer Facility	X			if yes, attach Information About On-Site Sewer Facility (TAR-1407)

(TAR-1406) 01-01-14

Initialed by: Buyer: \_\_\_\_\_, \_\_\_\_\_ and Seller: KRA, SA

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Concerning the Property at 5870 Huber Rd, Secuin

Water supply provided by: ☐ city ☒ well ☐ MUD ☐ co-op ☐ unknown ☐ other: \_\_\_\_\_

Was the Property built before 1978? ☐ yes ☒ no ☐ unknown

(If yes, complete, sign, and attach TAR-1906 concerning lead-based paint hazards).

Roof Type: Shingles Age: 8 (approximate)

Is there an overlay roof covering on the Property (shingles or roof covering placed over existing shingles or roof covering)?

☐ yes ☒ no ☐ unknown

Are you (Seller) aware of any of the items listed in this Section 1 that are not in working condition, that have defects, or are need of repair? ☐ yes ☒ no If yes, describe (attach additional sheets if necessary): \_\_\_\_\_

**Section 2. Are you (Seller) aware of any defects or malfunctions in any of the following?: (Mark Yes (Y) if you are aware and No (N) if you are not aware.)**

Item	Y	N
Basement		<input checked="" type="checkbox"/>
Ceilings		<input checked="" type="checkbox"/>
Doors		<input checked="" type="checkbox"/>
Driveways		<input checked="" type="checkbox"/>
Electrical Systems		<input checked="" type="checkbox"/>
Exterior Walls		<input checked="" type="checkbox"/>

Item	Y	N
Floors		<input checked="" type="checkbox"/>
Foundation / Slab(s)		<input checked="" type="checkbox"/>
Interior Walls		<input checked="" type="checkbox"/>
Lighting Fixtures		<input checked="" type="checkbox"/>
Plumbing Systems		<input checked="" type="checkbox"/>
Roof		<input checked="" type="checkbox"/>

Item	Y	N
Sidewalks		<input checked="" type="checkbox"/>
Walls / Fences		<input checked="" type="checkbox"/>
Windows		<input checked="" type="checkbox"/>
Other Structural Components		<input checked="" type="checkbox"/>

If the answer to any of the items in Section 2 is yes, explain (attach additional sheets if necessary): \_\_\_\_\_

**Section 3. Are you (Seller) aware of any of the following conditions: (Mark Yes (Y) if you are aware and No (N) if you are not aware.)**

Condition	Y	N
Aluminum Wiring		<input checked="" type="checkbox"/>
Asbestos Components		<input checked="" type="checkbox"/>
Diseased Trees: <input type="checkbox"/> oak wilt <input type="checkbox"/> _____		<input checked="" type="checkbox"/>
Endangered Species/Habitat on Property		<input checked="" type="checkbox"/>
Fault Lines		<input checked="" type="checkbox"/>
Hazardous or Toxic Waste		<input checked="" type="checkbox"/>
Improper Drainage		<input checked="" type="checkbox"/>
Intermittent or Weather Springs		<input checked="" type="checkbox"/>
Landfill		<input checked="" type="checkbox"/>
Lead-Based Paint or Lead-Based Pt. Hazards		<input checked="" type="checkbox"/>
Encroachments onto the Property		<input checked="" type="checkbox"/>
Improvements encroaching on others' property		<input checked="" type="checkbox"/>
Located in 100-year Floodplain		<input checked="" type="checkbox"/>
Located in Floodway		<input checked="" type="checkbox"/>
Present Flood Ins. Coverage (If yes, attach TAR-1414)		<input checked="" type="checkbox"/>
Previous Flooding into the Structures		<input checked="" type="checkbox"/>
Previous Flooding onto the Property		<input checked="" type="checkbox"/>
Located in Historic District		<input checked="" type="checkbox"/>
Historic Property Designation		<input checked="" type="checkbox"/>
Previous Use of Premises for Manufacture of Methamphetamine		<input checked="" type="checkbox"/>

Condition	Y	N
Previous Foundation Repairs		<input checked="" type="checkbox"/>
Previous Roof Repairs		<input checked="" type="checkbox"/>
Other Structural Repairs		<input checked="" type="checkbox"/>
Radon Gas		<input checked="" type="checkbox"/>
Settling		<input checked="" type="checkbox"/>
Soil Movement		<input checked="" type="checkbox"/>
Subsurface Structure or Pits		<input checked="" type="checkbox"/>
Underground Storage Tanks		<input checked="" type="checkbox"/>
Unplatted Easements		<input checked="" type="checkbox"/>
Unrecorded Easements		<input checked="" type="checkbox"/>
Urea-formaldehyde Insulation		<input checked="" type="checkbox"/>
Water Penetration		<input checked="" type="checkbox"/>
Wetlands on Property		<input checked="" type="checkbox"/>
Wood Rot		<input checked="" type="checkbox"/>
Active infestation of termites or other wood destroying insects (WDI)		<input checked="" type="checkbox"/>
Previous treatment for termites or WDI		<input checked="" type="checkbox"/>
Previous termite or WDI damage repaired		<input checked="" type="checkbox"/>
Previous Fires		<input checked="" type="checkbox"/>
Termite or WDI damage needing repair		<input checked="" type="checkbox"/>
Single Blockable Main Drain in Pool/Hot Tub/Spa*		<input checked="" type="checkbox"/>

Concerning the Property at 5870 Huber Rd Sequim

If the answer to any of the items in Section 3 is yes, explain (attach additional sheets if necessary):

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

**Section 4. Are you (Seller) aware of any item, equipment, or system in or on the Property that is in need of repair, which has not been previously disclosed in this notice?** ☐ yes ☒ no If yes, explain (attach additional sheets if necessary):

**Section 5. Are you (Seller) aware of any of the following (Mark Yes (Y) if you are aware. Mark No (N) if you are not aware.)**

Y N

- ☐ ☒ Room additions, structural modifications, or other alterations or repairs made without necessary permits or not in compliance with building codes in effect at the time.
- ☐ ☒ Homeowners' associations or maintenance fees or assessments. If yes, complete the following:  
Name of association: \_\_\_\_\_  
Manager's name: \_\_\_\_\_ Phone: \_\_\_\_\_  
Fees or assessments are: \$ \_\_\_\_\_ per \_\_\_\_\_ and are: ☐ mandatory ☐ voluntary  
Any unpaid fees or assessment for the Property? ☐ yes (\$ \_\_\_\_\_) ☐ no  
If the Property is in more than one association, provide information about the other associations below or attach information to this notice.
- ☐ ☒ Any common area (facilities such as pools, tennis courts, walkways, or other) co-owned in undivided interest with others. If yes, complete the following:  
Any optional user fees for common facilities charged? ☐ yes ☐ no If yes, describe: \_\_\_\_\_
- ☐ ☒ Any notices of violations of deed restrictions or governmental ordinances affecting the condition or use of the Property.
- ☐ ☒ Any lawsuits or other legal proceedings directly or indirectly affecting the Property. (Includes, but is not limited to: divorce, foreclosure, heirship, bankruptcy, and taxes.)
- ☐ ☒ Any death on the Property except for those deaths caused by: natural causes, suicide, or accident unrelated to the condition of the Property.
- ☐ ☒ Any condition on the Property which materially affects the health or safety of an individual.
- ☐ ☒ Any repairs or treatments, other than routine maintenance, made to the Property to remediate environmental hazards such as asbestos, radon, lead-based paint, urea-formaldehyde, or mold.  
If yes, attach any certificates or other documentation identifying the extent of the remediation (for example, certificate of mold remediation or other remediation).
- ☐ ☒ Any rainwater harvesting system located on the property that is larger than 500 gallons and that uses a public water supply as an auxiliary water source.
- ☐ ☒ The Property is located in a propane gas system service area owned by a propane distribution system retailer.

Concerning the Property at 5870 Huber Rd Sequim

If the answer to any of the items in Section 5 is yes, explain (attach additional sheets if necessary): \_\_\_\_\_

**Section 6.** Seller ☒ has ☐ has not attached a survey of the Property.

**Section 7.** Within the last 4 years, have you (Seller) received any written inspection reports from persons who regularly provide inspections and who are either licensed as inspectors or otherwise permitted by law to perform inspections? ☐ yes ☒ no If yes, attach copies and complete the following:

Inspection Date	Type	Name of Inspector	No. of Pages

*Note: A buyer should not rely on the above-cited reports as a reflection of the current condition of the Property. A buyer should obtain inspections from inspectors chosen by the buyer.*

**Section 8.** Check any tax exemption(s) which you (Seller) currently claim for the Property:

- |   |   |   |
|---|---|---|
| <input checked="" type="checkbox"/> Homestead | <input type="checkbox"/> Senior Citizen | <input type="checkbox"/> Disabled         |
| <input type="checkbox"/> Wildlife Management  | <input type="checkbox"/> Agricultural   | <input type="checkbox"/> Disabled Veteran |
| <input type="checkbox"/> Other: _____         |   | <input type="checkbox"/> Unknown          |

**Section 9.** Have you (Seller) ever filed a claim for damage to the Property with any insurance provider? ☐ yes ☒ no

**Section 10.** Have you (Seller) ever received proceeds for a claim for damage to the Property (for example, an insurance claim or a settlement or award in a legal proceeding) and not used the proceeds to make the repairs for which the claim was made? ☐ yes ☒ no If yes, explain: \_\_\_\_\_

**Section 11.** Does the property have working smoke detectors installed in accordance with the smoke detector requirements of Chapter 766 of the Health and Safety Code?\* ☐ unknown ☐ no ☒ yes. If no or unknown, explain. (Attach additional sheets if necessary): \_\_\_\_\_

*\*Chapter 766 of the Health and Safety Code requires one-family or two-family dwellings to have working smoke detectors installed in accordance with the requirements of the building code in effect in the area in which the dwelling is located, including performance, location, and power source requirements. If you do not know the building code requirements in effect in your area, you may check unknown above or contact your local building official for more information.*

*A buyer may require a seller to install smoke 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-impaired; (2) the buyer gives the seller written evidence of the hearing impairment from a licensed physician; and (3) within 10 days after the effective date, the buyer makes a written request for the seller to install smoke detectors for the hearing-impaired and specifies the locations for installation. The parties may agree who will bear the cost of installing the smoke detectors and which brand of smoke detectors to install.*

Concerning the Property at 5870 Huber Rd, Sequin

Seller acknowledges that the statements in this notice are true to the best of Seller's belief and that no person, including the broker(s), has instructed or influenced Seller to provide inaccurate information or to omit any material information.

Signature of Seller	Date	Signature of Seller	Date
Printed Name: _____		Printed Name: _____	

**ADDITIONAL NOTICES TO BUYER:**

- (1) The Texas Department of Public Safety maintains a database that the public may search, at no cost, to determine if registered sex offenders are located in certain zip code areas. To search the database, visit [www.txdps.state.tx.us](http://www.txdps.state.tx.us). For information concerning past criminal activity in certain areas or neighborhoods, contact the local police department.
- (2) If the property is located in a coastal area that is seaward of the Gulf Intracoastal Waterway or within 1,000 feet of the mean high 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, Natural Resources Code, respectively) and a beachfront construction certificate or dune protection permit may be required for repairs or improvements. Contact the local government with ordinance authority over construction adjacent to public beaches for more information.
- (3) If you are basing your offers on square footage, measurements, or boundaries, you should have those items independently measured to verify any reported information.
- (4) The following providers currently provide service to the property:

Electric: <u>G.U.E.C.</u>	phone #: _____
Sewer: _____	phone #: _____
Water: _____	phone #: _____
Cable: <u>Dish Network</u>	phone #: _____
Trash: <u>TEST</u>	phone #: _____
Natural Gas: _____	phone #: _____
Phone Company: _____	phone #: _____
Propane: _____	phone #: _____

- (5) This Seller's Disclosure Notice was completed by Seller as of the date signed. The brokers have relied on this notice as true and correct and have no reason to believe it to be false or inaccurate. YOU ARE ENCOURAGED TO HAVE AN INSPECTOR OF YOUR CHOICE INSPECT THE PROPERTY.

The undersigned Buyer acknowledges receipt of the foregoing notice.

<u>Kevine R Acker</u>	<u>7-1-15</u>	<u>Susan Acker</u>	<u>7/1/15</u>
Signature of Buyer	Date	Signature of Buyer	Date
Printed Name: <u>Kevine R Acker</u>		Printed Name: <u>Susan Acker</u>	



TEXAS ASSOCIATION OF REALTORS®

INFORMATION ABOUT ON-SITE SEWER FACILITY

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CONCERNING THE PROPERTY AT

5670 Huber Rd Seguin TX

A. DESCRIPTION OF ON-SITE SEWER FACILITY ON PROPERTY:

- (1) Type of Treatment System: ☒ Septic Tank ☐ Aerobic Treatment ☐ Unknown  
☐ \_\_\_\_\_
- (2) Type of Distribution System: DRAIN FIELD ☐ Unknown
- (3) Approximate Location of Drain Field or Distribution System: ☐ Unknown  
Left side of House by back Left corner of  
House DRAIN fields are between House and  
wooden fence
- (4) Installer: \_\_\_\_\_ ☒ Unknown
- (5) Approximate Age: 8 YEARS ☐ Unknown

B. MAINTENANCE INFORMATION:

- (1) Is Seller aware of any maintenance contract in effect for the on-site sewer facility? ☐ Yes ☒ No  
If yes, name of maintenance contractor: \_\_\_\_\_  
Phone: \_\_\_\_\_ contract expiration date: \_\_\_\_\_  
*Maintenance contracts must be in effect to operate aerobic treatment and certain non-standard on-site sewer facilities.)*
- (2) Approximate date any tanks were last pumped? NEVER
- (3) Is Seller aware of any defect or malfunction in the on-site sewer facility? ☐ Yes ☒ No  
If yes, explain: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
- (4) Does Seller have manufacturer or warranty information available for review? ☐ Yes ☒ No

C. PLANNING MATERIALS, PERMITS, AND CONTRACTS:

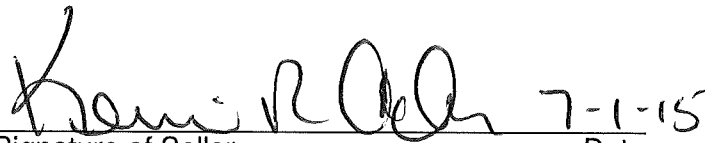
- (1) The following items concerning the on-site sewer facility are attached:  
☐ planning materials ☐ permit for original installation ☐ final inspection when OSSF was installed  
☐ maintenance contract ☐ manufacturer information ☐ warranty information ☐ \_\_\_\_\_
- (2) "Planning materials" are the supporting materials that describe the on-site sewer facility that are submitted to the permitting authority in order to obtain a permit to install the on-site sewer facility.
- (3) It may be necessary for a buyer to have the permit to operate an on-site sewer facility transferred to the buyer.

Information about On-Site Sewer Facility concerning 5870 Huber Sequin TR

**D. INFORMATION FROM GOVERNMENTAL AGENCIES:** Pamphlets describing on-site sewer facilities are available from the Texas Agricultural Extension Service. Information in the following table was obtained from Texas Commission on Environmental Quality (TCEQ) on 10/24/2002. The table estimates daily wastewater usage rates. Actual water usage data or other methods for calculating may be used if accurate and acceptable to TCEQ.

<u>Facility</u>	<u>Usage (gal/day) without water- saving devices</u>	<u>Usage (gal/day) with water- saving devices</u>
Single family dwelling (1-2 bedrooms; less than 1,500 sf)	225	180
Single family dwelling (3 bedrooms; less than 2,500 sf)	300	240
X Single family dwelling (4 bedrooms; less than 3,500 sf)	375	300
Single family dwelling (5 bedrooms; less than 4,500 sf)	450	360
Single family dwelling (6 bedrooms; less than 5,500 sf)	525	420
Mobile home, condo, or townhouse (1-2 bedroom)	225	180
Mobile home, condo, or townhouse (each add'l bedroom)	75	60

**This document is not a substitute for any inspections or warranties. This document was completed to the best of Seller's knowledge and belief on the date signed. Seller and real estate agents are not experts about on-site sewer facilities. Buyer is encouraged to have the on-site sewer facility inspected by an inspector of Buyer's choice.**

  
Signature of Seller Date  
~~641 & 651 Luensmann Property -~~

  
Signature of Seller Date  
~~SEE SIGNATURE PAGE~~

Receipt acknowledged by:

Signature of Buyer Date

Signature of Buyer Date



TEXAS ASSOCIATION OF REALTORS®  
**INFORMATION ABOUT SPECIAL FLOOD HAZARD AREAS**

USE OF THIS FORM BY PERSONS WHO ARE NOT MEMBERS OF THE TEXAS ASSOCIATION OF REALTORS® IS NOT AUTHORIZED.  
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CONCERNING THE PROPERTY AT 5870 Huber Rd  
Sequin, Tex 78155

**A. FLOOD AREAS:**

- (1) The Federal Emergency Management Agency (FEMA) designates areas that have a high risk of flooding as special flood hazard areas.
- (2) A property that is in a special flood hazard area lies in a "V-Zone" or "A-Zone" as noted on flood insurance rate maps. Both V-Zone and A-Zone areas are areas with high risk of flooding.
- (3) Some properties may also lie in the "floodway" which is the channel of a river or other watercourse and the adjacent land areas that must be reserved in order to discharge a flood under FEMA rules. Communities must regulate development in these floodways.

**B. AVAILABILITY OF FLOOD INSURANCE:**

- (1) Generally, flood insurance is available regardless of whether the property is located in or out of a special flood hazard area. Contact your insurance agent to determine if any limitations or restrictions apply to the property in which you are interested.
- (2) FEMA encourages every property owner to purchase flood insurance regardless of whether the property is in a high, moderate, or low risk flood area.
- (3) A homeowner may obtain flood insurance coverage (up to certain limits) through the National Flood Insurance Program. Supplemental coverage is available through private insurance carriers.
- (4) A mortgage lender making a federally related mortgage will require the borrower to maintain flood insurance if the property is in a special flood hazard area.

**C. GROUND FLOOR REQUIREMENTS:**

- (1) Many homes in special flood hazard areas are built-up or are elevated. In elevated homes the ground floor typically lies below the base flood elevation and the first floor is elevated on piers, columns, posts, or piles. The base flood elevation is the highest level at which a flood is likely to occur as shown on flood insurance rate maps.
- (2) Federal, state, county, and city regulations:
  - (a) restrict the use and construction of any ground floor enclosures in elevated homes that are in special flood hazard areas.
  - (b) may prohibit or restrict the remodeling, rebuilding, and redevelopment of property and improvements in the floodway.
- (3) The first floor of all homes must now be built above the base flood elevation.
  - (a) Older homes may have been built in compliance with applicable regulations at the time of construction and may have first floors that lie below the base flood elevation, but flood insurance rates for such homes may be significant.



- (b) It is possible that modifications were made to a ground floor enclosure after a home was first built. The modifications may or may not comply with applicable regulations and may or may not affect flood insurance rates.
- (c) It is important for a buyer to determine if the first floor of a home is elevated at or above the base flood elevation. It is also important for a buyer to determine if the property lies in a floodway.
- (4) Ground floor enclosures that lie below the base flood elevation may be used only for: (i) parking; (ii) storage; and (iii) building access. Plumbing, mechanical, or electrical items in ground floor enclosures that lie below the base flood elevation may be prohibited or restricted and may not be eligible for flood insurance coverage. Additionally:
  - (a) in A-Zones, the ground floor enclosures below the base flood elevation must have flow-through vents or openings that permit the automatic entry and exit of floodwaters;
  - (b) in V-Zones, the ground floor enclosures must have break-away walls, screening, or lattice walls; and
  - (c) in floodways, the remodeling or reconstruction of any improvements may be prohibited or otherwise restricted.

#### **D. COMPLIANCE:**



- (1) The above-referenced property may or may not comply with regulations affecting ground floor enclosures below the base flood elevation.
- (2) A property owner's eligibility to purchase or maintain flood insurance, as well as the cost of the flood insurance, is dependent on whether the property complies with the regulations affecting ground floor enclosures.
- (3) A purchaser or property owner may be required to remove or modify a ground floor enclosure that is not in compliance with city or county building requirements or is not entitled to an exemption from such requirements.
- (4) A flood insurance policy maintained by the current property owner does not mean that the property is in compliance with the regulations affecting ground floor enclosures or that the buyer will be able to continue to maintain flood insurance at the same rate.
- (5) Insurance carriers calculate the cost of flood insurance using a rate that is based on the elevation of the lowest floor.
  - (a) If the ground floor lies below the base flood elevation and does not meet federal, state, county, and city requirements, the ground floor will be the lowest floor for the purpose of computing the rate.
  - (b) If the property is in compliance, the first elevated floor will be the lowest floor and the insurance rate will be significantly less than the rate for a property that is not in compliance.
  - (c) If the property lies in a V-Zone the flood insurance rate will be impacted if a ground floor enclosure below the base flood elevation exceeds 299 square feet (even if constructed with break-away walls).

**E. ELEVATION CERTIFICATE:**

The elevation certificate is an important tool in determining flood insurance rates. It is used to provide elevation information that is necessary to ensure compliance with floodplain management laws. To determine the proper insurance premium rate, insurers rely on an elevation certificate to certify building elevations at an acceptable level above flood map levels. If available in your area, it is recommended that you obtain an elevation certificate for the property as soon as possible to accurately determine future flood insurance rates.

**You are encouraged to: (1) inspect the property for all purposes, including compliance with any ground floor enclosure requirement; (2) review the flood insurance policy (costs and coverage) with your insurance agent; and (3) contact the building permitting authority if you have any questions about building requirements or compliance issues.**

Receipt acknowledged by:

  
Signature7-1-15  
Date  
Signature7/1/15  
Date



# TEXAS ASSOCIATION OF REALTORS®

## INFORMATION ABOUT PROPERTY INSURANCE FOR A BUYER OR SELLER

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### **A. The availability and the affordability of property insurance may affect both the buyer and the seller.**

Typically a buyer will seek to insure the property. Most mortgage lenders require that the property be insured in an amount not less than the loan amount. The failure to obtain property insurance at or before closing may delay the transaction or cause it to end, either of which can impose both inconvenience and cost to both the buyer and the seller.

### **B. There are a number of factors that affect the availability and affordability of insurance.**

- (1) The level of coverage will significantly affect the cost of insurance. There are several levels of insurance coverage. For example:
  - (a) a policy may cover the replacement cost of the improvements and the replacement cost of many personal items in the property in the event of most casualties;
  - (b) a policy may cover only value of the improvements and exclude many casualties; or
  - (c) a policy may cover casualties and costs between the two noted extremes under (a) and (b).
- (2) Coverage levels and prices vary from company to company. There are many insurance companies conducting business in Texas who offer a variety of insurance products at various prices.
  - (a) One insurance company may refuse to insure a particular property or person while another insurance company may elect to do so.
  - (b) One insurance company may charge a significantly lower premium than another insurance company for the same or similar coverage.
  - (c) Generally, each insurance company has specific guidelines by which it prices its insurance policies. The following are examples of criteria that an insurance company may use in evaluating an application for insurance. The criteria vary from company to company.
    - (1) Past claims filed against the property to be insured in the 5 years preceding the application.
    - (2) Past claims filed by the applicant to be insured in the 5 years preceding the application.
    - (3) The applicant's insurance credit score.
    - (4) The past relationship between the insurance company and the applicant.
    - (5) The physical characteristics of the property such as condition, age, location, or construction materials.

### **C. Most insurance companies participate in the Comprehensive Loss Underwriting Exchange (CLUE) and obtain a CLUE report to evaluate the claims history of the property and the applicant.**

- (1) Most insurance companies contribute information about claims to an insurance industry database known as CLUE (a registered trademark of Equifax, Inc.). An insurance company obtains a CLUE report when evaluating an application for insurance.
- (2) A CLUE report contains information about the claims history of the property and of the applicant for insurance.
  - (a) The CLUE report contains only data and does not inform the buyer or seller whether insurance is or is not available or at what cost.
  - (b) Insurance companies use the CLUE report in different ways.
  - (c) It is best to speak with an insurance agent with respect to how the information in a particular CLUE report affects the affordability and availability of insurance.

- (3) While CLUE reports are generally accurate, there may be errors in the reports.
  - (a) An event may be listed as a claim even though the insurance company did not pay any proceeds (for example, the cost of repair did not exceed the deductible or an inquiry may be incorrectly classified as a claim).
  - (b) Federal law permits a person to challenge inaccurate information. One may contact the administrator of the CLUE report (Lexis-Nexis) to correct information in a CLUE report.
- (4) A property owner may, for a fee, obtain the CLUE report on his or her property through companies such as Lexis-Nexis (<https://personalreports.lexisnexis.com>, 1-866-312-9076), A-Plus (800-709-8842) or other companies, most of whose services are accessible via the Internet. An owner may also contact the Equifax Insurance Consumer Center at 800-456-6004.

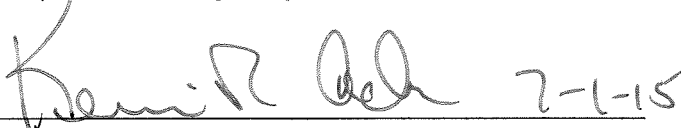
**D. Promptly after entering into a contract to buy a property in Texas, the buyer should take the following steps to avoid delays in closing and to avoid additional costs.**

**If the buyer has the option to terminate the contract, the buyer should make sure that the buyer and the insurance agent have completed the following steps before the option expires.**

- (1) Contact one or more insurance agents.
  - (a) The buyer should discuss the various levels of coverage with an insurance agent and ask questions that are necessary so the buyer understands the levels of available coverage.
  - (b) Insurance agents can provide applicants with written summaries of the various coverage levels.
  - (c) Basic summaries are available at the websites noted in Paragraph E.
- (2) **Submit an application** for insurance with the insurance agent of the buyer's choice.
  - (a) Applying for insurance promptly after entering into a contract to buy a property helps avoid surprises or delays in closing the transaction.
  - (b) Prompt application permits the buyer time to evaluate various coverage levels and prices.
  - (c) Delaying the application for insurance may limit opportunities to obtain the most suitable coverage and may limit opportunities to address any unforeseen problems or delays in obtaining coverage.
  - (d) In recent years, many transactions have been delayed or terminated because of problems associated with obtaining insurance.
- (3) Ask for written confirmation from the insurance agent that the insurance company:
  - (a) has received the application;
  - (b) has reviewed the applicant's CLUE report; and
  - (c) has conducted all necessary reviews to issue a policy at the particular price quoted (some insurance companies may ask for specific information or may wish to inspect the property).
- (4) Verify that the insurance coverage the buyer chooses is acceptable to the buyer's lender.

**E. If one is not able to obtain insurance at a reasonable price or more information is needed, contact the Texas Department of Insurance ([www.helpinsure.com](http://www.helpinsure.com) or [www.tdi.state.tx.us](http://www.tdi.state.tx.us)).**

Receipt acknowledged by:

  
Signature

  
Signature



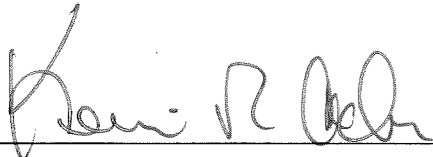
TEXAS ASSOCIATION OF REALTORS®  
**INFORMATION ABOUT MINERAL CLAUSES IN CONTRACT FORMS**

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*This form contains general information about mineral estates in published contract forms.*

- 1. INTRODUCTION:** Historically, buyers and sellers of property near urban areas have not been concerned about the conveyance or retention of mineral interests. Mineral interests for such properties may have been severed in the past or the value of the mineral interests may have been relatively insignificant. There has historically been little risk that the owner of the mineral interests under property near urban areas could or would access the surface of the property to drill or excavate for minerals (perhaps, because the property was too small to support such activity or because such activity may have been heavily regulated by a city). In recent years, the discovery of large mineral deposits near urban areas and advances in drilling technologies have led to increased exploration and drilling activities in and near urban areas. In turn, buyers and sellers of property in urban and suburban areas have raised questions as to whether it is best to convey or retain all or part of the mineral interests in a particular sale.
- 2. WHO OWNS THE MINERALS?** Owners of property in or near urban areas typically are not aware of the precise extent of the mineral interests they may own. One may own all or only a portion of the mineral interests. Further, the mineral interests may have been leased. Determining who owns the mineral interests, whether the mineral interests have been leased, and who holds rights under any leases requires an expert (such as an oil and gas attorney) to review the chain of title and formulate an informed opinion.
- 3. CONTRACT FORMS:** The residential contract forms promulgated by the Texas Real Estate Commission and the commercial contract forms published by the Texas Association of REALTORS® provide that the seller will convey to the buyer all of the seller's rights associated with the property, including all mineral interests and any rights held under any mineral leases by the seller. If a seller wishes to reserve all or a part of the mineral interests and rights held by the seller in a residential transaction, the seller **must** use the Texas Real Estate Commission's Addendum for Reservation of Oil, Gas, And Other Minerals (TREC No. 44-2, TAR No. 1905). If the addendum is not attached to the sales contract, the seller conveys to the buyer all of the mineral interests and rights held by the seller at the time of the transaction. In a farm & ranch transaction, the seller may use the TREC promulgated form, but may also use any addendum prepared by an attorney or by either party.
- 4. RESOURCES:** One may find information related to mineral estates and mineral leases through many sources, including but not limited to: (a) the Real Estate Research Center ([www.recenter.tamu.edu](http://www.recenter.tamu.edu)); and (b) the Railroad Commission of Texas ([www.rrc.state.tx.us](http://www.rrc.state.tx.us)). There are many other useful sources that one can access via the Internet through most Internet search engines.

The undersigned acknowledge receipt of this notice.



Date

Printed Name: Kevin Acker

7-1-15



Date

Printed Name: Susan Acker

7/1/15