

TREC

Legal Update 1

Supplement

Knowledge is the Vehicle – Service is the Goal

Serving Texas real estate licensees since 1987 with a dedication to quality real estate education.

Lloyd Hampton Real Estate Education

TREC Provider # 09844

www.LHREE.com

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Section 5. Are you (Seller) aware of any of the following conditions? (Mark Yes (Y) if you are aware and check wholly or partly as applicable. Mark No (N) if you are not aware.)

- Y N**
- ☐ ☐ Present flood insurance coverage (if yes, attach TXR 1414).
- ☐ ☐ Previous flooding due to a failure or breach of a reservoir or a controlled or emergency release of water from a reservoir.
- ☐ ☐ Previous flooding due to a natural flood event (if yes, attach TXR 1414).
- ☐ ☐ Previous water penetration into a structure on the Property due to a natural flood event (if yes, attach TXR 1414).
- ☐ ☐ Located ☐ wholly ☐ partly in a 100-year floodplain (Special Flood Hazard Area-Zone A, V, A99, AE, AO, AH, VE, or AR) (if yes, attach TXR 1414).
- ☐ ☐ Located ☐ wholly ☐ partly in a 500-year floodplain (Moderate Flood Hazard Area-Zone X (shaded)).
- ☐ ☐ Located ☐ wholly ☐ partly in a floodway (if yes, attach TXR 1414).
- ☐ ☐ Located ☐ wholly ☐ partly in a flood pool.
- ☐ ☐ Located ☐ wholly ☐ partly in a reservoir.

If the answer to any of the above is yes, explain (attach additional sheets as necessary): _____

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TXR
1418



UPDATE TO SELLER'S DISCLOSURE NOTICE

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UPDATE TO THE SELLER'S DISCLOSURE NOTICE CONCERNING THE PROPERTY AT _____

Seller is aware of the following new information regarding the condition of the Property. Section(s) _____ are changed to read (cite specific sections and copy the applicable language in the sections verbatim, making any necessary changes): _____

**You can use this form to update
a Seller's Disclosure after a new
inspection comes in.**

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"For purposes of this notice:

"100-year floodplain" means any area of land that: (A) is identified on the flood insurance rate map as a special flood hazard area, which is designated as Zone A, V, A99, AE, AO, AH, VE, or AR on the map; (B) has a one percent annual chance of flooding, which is considered to be a high risk of flooding; and (C) may include a regulatory floodway, flood pool, or reservoir.

"500-year floodplain" means any area of land that: (A) is identified on the flood insurance rate map as a moderate flood hazard area, which is designated on the map as Zone X (shaded); and (B) has a two-tenths of one percent annual chance of flooding, which is considered to be a moderate risk of flooding.

"Flood pool" means the area adjacent to a reservoir that lies above the normal maximum operating level of the reservoir and that is subject to controlled inundation under the management of the United States Army Corps of Engineers.

"Flood insurance rate map" means the most recent flood hazard map published by the Federal Emergency Management Agency under the National Flood Insurance Act of 1968 (42 U.S.C. Section 4001 et seq.).

"Floodway" means an area that is identified on the flood insurance rate map as a regulatory floodway, which includes the channel of a river or other watercourse and the adjacent land areas that must be reserved for the discharge of a base flood, also referred to as a 100-year flood, without cumulatively increasing the water surface elevation more than a designated height.

"Reservoir" means a water impoundment project operated by the United States Army Corps of Engineers that is intended to retain water or delay the runoff of water in a designated surface area of land.

(TXR-1406) 09-01-19

Initiated by: Buyer: _____ and Seller: _____

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FEMA Flood Map Service Center: Welcome!

<https://msc.fema.gov/portal/search>

Looking for a Flood Map?

Enter an address, a place, or longitude/latitude coordinates:

5122 Glenworth Ct., Houston, TX 77084

Search

Looking for more than just a current flood map?

Visit [Search All Products](#) to access the full range of flood risk products for your community.



About Flood Map Service Center

The FEMA Flood Map Service Center (MSC) is the official public source for flood hazard information produced in support of the National Flood Insurance Program (NFIP). Use the MSC to find your official flood map, access a range of other flood hazard products, and take advantage of tools for better understanding flood risk.

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Concerning the Property at _____

Section 6. Have you (Seller) ever filed a claim for flood damage to the Property with any insurance provider, including the National Flood Insurance Program (NFIP)? ☐ yes ☐ no If yes, explain (attach additional sheets as necessary): _____

"Homes in high risk flood zones with mortgages from federally regulated or insured lenders are required to have flood insurance. Even when not required, the Federal Emergency Management Agency (FEMA) encourages homeowners in high risk, moderate risk, and low risk flood zones to purchase flood insurance that covers the structure(s) and the personal property within the structure(s).

Section 7. Have you (Seller) ever received assistance from FEMA or the U.S. Small Business Administration (SBA) for flood damage to the Property? ☐ yes ☐ no If yes, explain (attach additional sheets as necessary): _____

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HELP CLIENTS PROTECT THEIR INVESTMENT

QUESTIONS & ANSWERS

ABOUT FLOOD INSURANCE FOR REAL ESTATE PROFESSIONALS



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Municipal Utility Districts (MUDs) and the Law

Where the MUD districts are

Sixty-five percent of the 949 municipal utility districts in Texas are in Harris, Fort Bend, and Montgomery Counties.

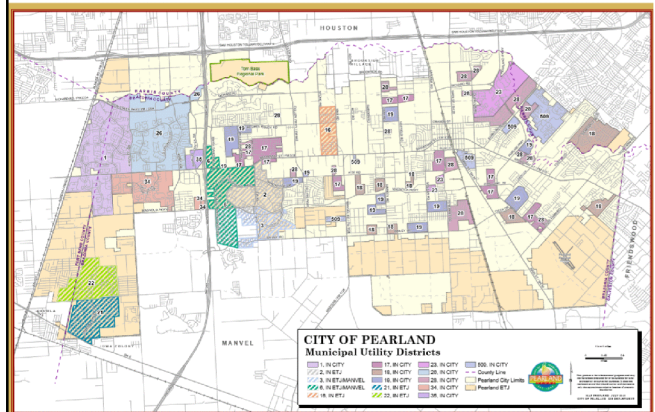
Montgomery County 85

Fort Bend County 146

Harris County 389

Source: Texas Commission on Environmental Quality

Houston Chronicle



Notice to a Purchaser of Real Property in a Water District

HAR 300

Note: This Notice should be completed and given to a prospective purchaser prior to execution of a binding contract of sale and purchase, should be executed by the seller and purchaser and should be attached as a separate portion of a purchase contract. Please see NOTE at bottom of page.

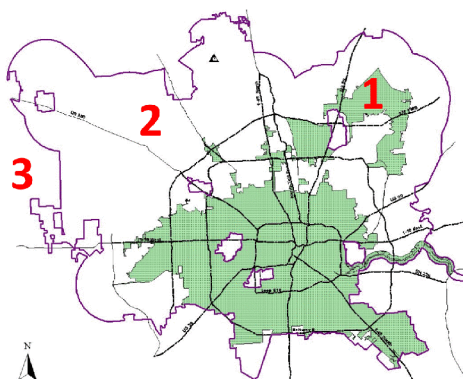
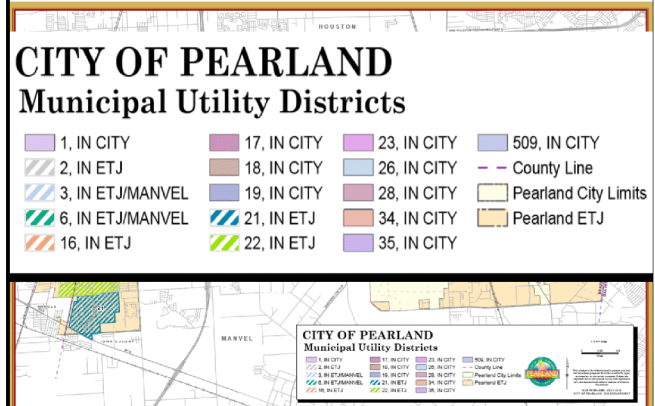
1) The real property, described below, that you are about to purchase is located in the _____ District. The district has taxing authority separate from any other taxing authority and may, subject to voter approval, issue an unlimited amount of bonds and levy an unlimited rate of tax in payment of such bonds. As of this date, the rate of taxes levied by the district on real property located in the district is \$ _____ on each \$100 of assessed valuation. If the district has not yet levied taxes, the most recent projected rate of tax, as of this date, is \$ _____ on each \$100 of assessed valuation. The total amount of bonds, excluding refunding bonds and any bonds or any portion of bonds issued that are payable solely from revenues received or expected to be received under a contract with a governmental entity, approved by the voters and which have been or may, at this date, be issued in \$ _____ and the aggregate initial principal amounts of all bonds issued for one or more of the specified facilities of the district and payable in whole or in part from property taxes is \$ _____.

2) The district has the authority to adopt and impose a standby fee on property in the district that has water, sanitary sewer, or drainage facilities and services available but not connected and which does not have a house, building, or other improvement located thereon and does not substantially utilize the utility capacity available to the property. The district may exercise the authority without holding an election on the matter. As of this date, the most recent amount of the standby fee is \$ _____. An unpaid standby fee is a personal obligation of the person that owned the property at the time of imposition and is secured by a lien on the property. Any person may request a certificate from the district stating the amount, if any, of unpaid standby fees on a tract of property in the district.

3) Mark an "X" in one of the following three spaces and then complete as instructed.

____ Notice for Districts Located in Whole or in Part within the Corporate Boundaries of a Municipality (Complete Paragraph A).
 ____ Notice for Districts Located in Whole or in Part in the Extrajurisdiction of One or More Home-Rule Municipalities and Not Located within the Corporate Boundaries of a Municipality (Complete Paragraph B).
 ____ Notice for Districts that are NOT Located in Whole or in Part within the Corporate Boundaries of a Municipality or the Extrajurisdiction of One or More Home-Rule Municipalities.

A) The district is located in whole or in part within the corporate boundaries of the City of _____. The taxpayers of the district are subject to the taxes imposed by the municipality and by the district until the district is dissolved. By law, a district located within the corporate boundaries of a municipality may be dissolved by municipal ordinance without the consent of the district or the voters of the district.



1. In the city

2. In the ETJ

3. Outside both

11-15-18

FROM: TREC

NOTICE OF BUYER'S TERMINATION OF CONTRACT

CONCERNING THE CONTRACT FOR THE SALE OF THE PROPERTY AT _____

(SQUARES ARE CITY)

BETWEEN THE UNDERSIGNED BUYER AND _____ (SQUARES ARE CITY)

X(8) Other (Identify the paragraph number of contract or the addendum):

Seller's failure to provide the MUD District Notice prior to execution of this contract as per Paragraph 6E(3).

____ Buyer elects to terminate under Paragraph 6.1 of the Addendum Concerning Copy to Terminate Due to Lender's Appraisal. Buyer has delivered a copy of the Appraisal to Seller.

____ Buyer elects to terminate under Paragraph 6.D. of the contract (S.C. for Residential Condominium Contract) because timely objections were not cured by the end of the Cure.

____ Other (Identify the paragraph number of contract or the addendum):

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www.tceq.texas.gov

Search for the Water District Database

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

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Air Land Water Licenses Permits Reporting Sign up for updates

News

Texas Commission on Environmental Quality @TCEQ Today's Air Quality Forecast: tceq.texas.gov/airqualityforecast

Texas Commission on Environmental Quality @TCEQ Western Refining Company, L.P. has applied to TCEQ for two separate permit amendments, which would authorize modification to the Starbuck Oil Refinery North. A public meeting is scheduled for Oct. 22 in El Paso. go.tceq.gov/1914

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APPROVED BY THE TEXAS REAL ESTATE COMMISSION (TREC) FOR VOLUNTARY USE

10-10-11

NON-REALTY ITEMS ADDENDUM

TO CONTRACT CONCERNING THE PROPERTY AT

(Address of Property)

A. For an additional sum of \$_____ and other and good valuable consideration, Seller shall convey to Buyer at closing the following personal property (specify each item carefully, include description, model numbers, serial numbers, location, and other information):

B. Seller represents and warrants that Seller owns the personal property described in Paragraph A free and clear of all encumbrances.

C. Seller does not warrant or guarantee the condition or future performance of the personal property conveyed by this document.

Buyer _____ Seller _____

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https://www14.tceq.texas.gov/iwud/index.cfm

Search the Water District Database (WDD)

Search by:

- Water District Name or Number
- List Documents by Type
- Request a WDD Report
- View a District Map
- PUC Home
- Individual Affiliation lookup
- Explanation of Search Results

WDD Search Options

Search by Water District Name or Number

In the box below, enter **either**:

- the first part of the name of the water district (capitalization does not matter) **or**
- the full district number (6 or 7 digits) **or**
- click on **submit** to view the complete district list.

Submit Clear

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Factual Statements and Business Details

Factual statements:
Something you can verify as true.

Business details:
Additional details tied to something already in the contract.

D. ACCEPTANCE OF PROPERTY CONDITION: "As Is" means the present condition of the Property with any and all defects and without warranty except for the warranties of title and the warranties in this contract. Buyer's agreement to accept the Property As Is under Paragraph 7D(1) or (2) does not preclude Buyer from inspecting the Property under Paragraph 7A, from negotiating repairs or treatments in a subsequent amendment, or from terminating this contract during the Option Period, if any.

(Check one box only)

☐ (1) Buyer accepts the Property As Is.

☒ (2) Buyer accepts the Property As Is provided Seller, at Seller's expense, shall complete the following specific repairs and treatments: **Clean the carpet**

11. SPECIAL PROVISIONS: (Insert only factual statements and business details applicable to the sale. TREC rules prohibit license holders from adding factual statements or business details for which a contract addendum, lease or other form has been promulgated by TREC for mandatory use.)

The carpet is to be cleaned by Steamatic of Houston, Inc.

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PROMULGATED BY THE TEXAS REAL ESTATE COMMISSION (TREC) 11.13.10 [2-42-148]

ADDENDUM FOR AUTHORIZING HYDROSTATIC TESTING

CONCERNING THE PROPERTY AT: _____ (Street Address and City)

Consult a licensed plumber about the scope of hydrostatic testing and risks associated with the [hydrostatic] testing before signing this form.

A. **AUTHORIZATION:** Seller authorizes Buyer, at Buyer's expense, to engage a licensed plumber to perform a hydrostatic plumbing test on the Property.

B. **ALLOCATION OF RISK:**

☐ (1) Seller shall be liable for damages caused by the hydrostatic plumbing test.

☐ (2) Buyer shall be liable for damages caused by the hydrostatic plumbing test.

☐ (3) Buyer shall be liable for damages caused by the hydrostatic plumbing test in an amount not to exceed \$_____.

Buyer _____ Seller _____

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Three Guidelines on How NOT to Practice Law:

- The more you alter the forms the more dangerous the situation becomes.
- Don't make a statement unless you would admit it in a court of law.
- In specific situations do not define or discuss:
 - Rights
 - Remedies
 - Default
 - Validity
 - Obligations

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What Agents May Insert In Special Provisions:

1. Factual statements.
2. Business details.
3. Any wording provided by the parties or their attorneys.

Agents May NOT Create Wording Dealing With:

1. Rights
2. Remedies
3. Default
4. Validity
5. Obligations
6. Issues already covered by a TREC form

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TEXAS PROPERTY CODE - §92.025. LIABILITY FOR LEASING TO PERSON WITH CRIMINAL RECORD.

(a) A cause of action does not accrue against a landlord, manager or agent solely for leasing a dwelling to a tenant convicted or arrested or placed on deferred adjudication.

(b) This section does not preclude a cause of action for leasing of a dwelling if the tenant was convicted of murder; kidnapping; human trafficking; indecency with a child; sexual assault; child or elder abuse; robbery; or burglary and the person against whom the action is filed knew or should have known of the conviction or adjudication.

WELL, WAIT A MINUTE

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So if you do property management:



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Education

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IREM ACCELERATORS



Education for property and asset managers. Fast, convenient courses to accelerate your knowledge and your career success.

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TXR 2220



GENERAL INFORMATION FOR TENANT OF PROPERTY FACING FORECLOSURE

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GENERAL NOTICE. You recently requested information from me regarding the property you are currently renting and notice you received that it could be facing foreclosure. As either the current or former property manager for the property you understand that my relationship is with the owner of the property and I do not represent you. I am not an attorney and cannot give you legal advice. You need to seek the advice of an attorney to receive information about any rights you may have. This notice is being furnished to you to provide general information about foreclosure and should not be considered legal advice.

PROTECTING TENANTS AT FORECLOSURE ACT. Recently, the federal government passed legislation offering certain protection to some tenants of residential property in foreclosure. Generally, tenants of foreclosed properties have the right to remain in the property for at least 90 days after foreclosure and may have the right to stay longer. In order for any protection to apply, you must be a tenant in good standing, current on rent and any late fees. For more information on the provisions contained in the Protecting Tenants at Foreclosure Act you may visit <http://nlhfc.org/library/foreclosure>.

RENT PAYMENTS AND SECURITY DEPOSIT. Until the property is sold at a foreclosure sale, you should continue to make your rent payments as indicated in your lease. Once the property is sold, you should be notified regarding how and to whom your rent payments should be made. You should also be notified as to whom you should contact regarding your security deposit. Remember, in order to remain eligible to remain in the property and receive your security deposit back, you must remain a tenant in good standing and not abandon the property. The cost of any damage done to the property will be deducted from your security deposit.

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www.BOMA.org

Building Owners and Managers Association International

myCOMMUNITIES

ADVOCACY BOMA STANDARDS BUILDING CODES EDUCATION & EVENTS RECOGNITION & AWARDS RESEARCH & RESOURCES



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TXR 2212



ADVERSE ACTION NOTICE AND CREDIT SCORE DISCLOSURE

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To: _____ (Applicant)

From: _____ (Landlord)

Date: _____

Re: Application for Lease concerning the Property at _____

Landlord has taken the following adverse action (description of action taken): _____

for the following reason(s) (select one or more): _____

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Six new laws in property management

1. HB 69 A representative of the tenant's estate can terminate the lease and avoid liability for future rent and other sums, if the following conditions are met:

- * the representative provides to the landlord or agent a written notice of the termination;
- * the tenant's property is removed according to the procedure outlined in Texas Property Code Section 92.014;
- * if the landlord or agent requires, the representative signs an inventory of the removed property.
- * the landlord has to provide a copy of the lease to the representative, if requested in writing by that person.
- * the estate remains liable for unpaid rent and damages.

Six new laws in property management

2. HB 1002 A landlord who issues a parking permit to a tenant must issue the permit for the same amount of time as the tenant's lease term and can't terminate or suspend the permit until the date the tenant's right of possession ends.

**Six new laws in property management**

3. SB 234 Allows a tenant to terminate the lease early when the tenant is a victim of family violence, if a tenant complies with specific requirements, including providing the landlord with a copy of a certain documentation. This bill expands the types of documentation that a tenant can provide as proof to terminate the lease. The new categories: (i) an order of emergency protection; (ii) documentation from a licensed health or mental care services provider who examined the victim; or (iii) a victim's advocate. This bill also adds that these types of documentation would be sufficient in a cotenant family violence situation (where a tenant does not have to provide the 30-day written notice of termination).

Six new laws in property management

4. SB 1414 Prohibits late fees until any portion of the rent has remain unpaid for two full days after the due date. Any late fee must be reasonable. The bill establishes a "safe harbor" where the fee is deemed reasonable under the law. For one to four family units a late fee is considered reasonable if the fee is not more than 12% of the amount of rent for the rental period under the lease. For a rental dwellings with more than four units a late fee is considered reasonable if the fee is not more than 10% of the amount of rent for the rental period.

**Six new laws in property management**

5. HB 302 Creates a defense under various criminal trespass laws protecting owners of condominiums (and their tenants and guests), as well as residential tenants, from prosecution for lawfully carrying or storing a firearm or ammo on the property, in a vehicle, or directly en route to the property or vehicle. This prohibition does not affect the enforceability of a provision in a lease agreement entered into or renewed before September 1, 2019.

**Six new laws in property management**

6. SB 772 Failure to post a sign (see Tex. Penal Code § 30.06 and § 30.07) or otherwise forbidding the carrying of a handgun on a property cannot be used as evidence in a trial (or support a lawsuit) against a person or business who owns, controls, or manages the property, where the trial is based on an injury occurring on the property.

