



TEXAS REAL ESTATE CONSUMER NOTICE CONCERNING RECOGNIZED HAZARDS

APPROVED BY THE TEXAS REAL ESTATE COMMISSION (TREC)

Each year in Texas, people are injured and property losses occur from: improperly installed water heaters in garages, faulty temperature and pressure relief valves on water heaters, and improperly installed (or the lack of) ground fault circuit protection for electrical receptacles in garages, outdoors, bathrooms and kitchen sink areas. In recognition of the studies and recommendations from the U.S. Consumer Products Safety Commission (U.S. CPSC), the Texas Real Estate Commission (TREC) has adopted a rule requiring licensed inspectors to report the above listed hazardous conditions as "in need of repair" when performing an inspection for a buyer or seller.

These conditions may not be a building code violation in a particular city or locale, or may be "grandfathered" because they were present prior to the adoption of city ordinances prohibiting such conditions. TREC has considered the potential for injury or property loss to be significant enough to warrant this notice. The effect of this rule is not to mandate these conditions be remedied, but rather to insure that the consumer be made aware of these significant hazards when revealed by inspection. Once notified, a buyer can decide whether or not to add them to the prioritized list of repairs that is typically provided to a seller under a Texas Earnest Money Contract and the Property Condition Addendum. The decision to correct the hazard is left to the parties involved in the transaction.

This form is approved by the Texas Real Estate Commission for voluntary use by its licensees. Copies of TREC rules governing real estate brokers and salesmen and real estate inspectors are available at nominal cost from TREC, P.O. Box 12188, Austin, Texas 78711-2188. TREC Consumer Notice Concerning Recognized Hazards (09-94).