

## Louisiana Revised Statutes Annotated

§9:3198. Duties of the seller; delivery of property disclosure document; termination of real estate contract; information contained in document and inaccuracies; required disclosure of information relative to homeowners' associations; liability of seller

A.(1) The seller of residential real property shall complete a property disclosure document in a form prescribed by the Louisiana Real Estate Commission or a form that contains at least the minimum language prescribed by the commission. The promulgation of this form shall be conducted in accordance with the Administrative Procedure Act no later than April 1, 2004.

(2)(a) Included with the property disclosure documents required by this Section shall be a statement of notification to the purchaser as to whether or not he is obligated to be a member of a homeowners' association as a homeowner in the community in which he is purchasing property.

(b) Included with the property disclosure documents required by this Section shall be a statement of acknowledgment as to whether or not an illegal laboratory for the production or manufacturing of methamphetamine was in operation on the purchasing property.

(3) The statement shall inform the purchaser that the information included in the disclosure statement relative to any homeowners' association is summary in nature and that the covenants and association governing documents are a matter of public record. The statement shall further inform the purchaser how such documents can be obtained.

(4) As used in this Subsection, "homeowners' association" or "association" means a nonprofit corporation, unincorporated association, or other legal entity which is created pursuant to a declaration whose members consist primarily of lot owners, and which is created to manage, maintain, or otherwise affect the association property or which otherwise governs the use of association property.

(5) Forms used for compliance with Paragraph (1) of this Subsection on and after April 1, 2005, shall also include a clause for the seller to indicate whether the property has been zoned commercial or industrial.

B.(1) The seller shall complete the property disclosure document in good faith to the best of the seller's belief and knowledge as of the date the disclosure is completed and signed by the seller. If the seller has no knowledge or information required by the disclosure document, the seller shall so indicate on the disclosure statement and shall be in compliance with this Chapter.

(2) The seller shall deliver or cause to be delivered the completed and signed property disclosure document to the purchaser no later than the time the purchaser makes an offer to purchase, exchange, or option the property or exercises the option to purchase the property pursuant to a lease with an option to purchase.

(3)(a) If the property disclosure document is delivered to the purchaser after the purchaser makes an offer, the purchaser may terminate any resulting real estate contract or withdraw the offer no later than seventy-two hours, excluding federal and state holidays and weekends, after receipt of the property disclosure document. Notwithstanding any other agreement between the purchaser and seller, if the purchaser terminates a real estate contract or withdraws an offer in accordance with this Chapter, the termination or withdrawal of offer is without penalty to the purchaser and any deposit or earnest money shall be promptly returned to the purchaser.

(b) Any rights of the purchaser to terminate the real estate contract provided by this Chapter are waived if not exercised prior to transfer of title or occupancy, whichever is earlier, by the purchaser in the case of a sale or exchange, or prior to the transfer of title in the case of a purchase pursuant to a lease with option to purchase.

(c) A transfer subject to this Chapter is not invalidated solely due to the failure of any person to comply with this Chapter.

(d) The provisions of this Chapter shall not affect any other rights of a purchaser to terminate a real estate contract for reasons other than those set forth in this Chapter.

C. If information disclosed in accordance with this Chapter becomes inaccurate as a result of any action, occurrence, or agreement after delivery of the property disclosure document, the resulting inaccuracy does not constitute a violation of this Chapter.

D.(1) A property disclosure document shall not be considered as a warranty by the seller. The information contained within the property disclosure document is for disclosure purposes only and is not intended to be a part of any contract between the purchaser and seller.

(2) The property disclosure document may not be used as a substitute for any inspections or warranties that the purchaser or seller may obtain. Nothing in this Chapter precludes the rights or duties of a purchaser to inspect the physical condition of the property.

E. A seller shall not be liable for any error, inaccuracy, or omission of any information required to be delivered to the purchaser in a property disclosure document if either of the following conditions exists:

(1) The error, inaccuracy, or omission was not a willful misrepresentation according to the best of the seller's information, knowledge, and belief.

(2) The error, inaccuracy, or omission was based on information provided by a public body or by another person with a professional license or special knowledge who provided a written or oral report or opinion that the seller reasonably believed to be correct and which was transmitted by the seller to the purchaser.

Acts 2003, No. 308, §1, eff. June 13, 2003; Acts 2004, No. 452, §1, eff. July 1, 2005; Acts 2004, No. 546, §1; Acts 2008, No. 681, §1.

#### §3198.1. Duties of governmental entities; contaminated property

A. Whenever a state or local law enforcement agency becomes aware that residential real property has been contaminated by its use as a clandestine methamphetamine drug lab, the agency shall report the contamination to the Department of Environmental Quality, hereinafter referred to as the "department", and to the local sheriff's office.

B. The department shall maintain a listing of residential real property that has been reported as contaminated, and the list shall be made available to the public through a website.

C. If property that is listed as contaminated on the department's website is subsequently seized and sold at a sheriff's sale, the sheriff shall provide notice to all bidders present at the time the sheriff's sale is conducted.

D. The department may promulgate rules and regulations in order to adopt standards for remediating properties contaminated by clandestine methamphetamine drug labs.

E. Upon confirmation by the department that property has been properly remediated to its established standards, the department shall remove the property from the list required in Subsection B of this Section. The department shall provide written notification to the local sheriff and the property owner of record when the documentation shows that the property has been properly remediated.

F. Notwithstanding any other provision of law to the contrary, once the property has been removed from the list required in Subsection B of this Section, the property owner is not required to report or otherwise disclose the past contamination as required in R.S. 9:3198(A)(2)(b).

G. Failure to comply with the provisions of this Section shall not create a cause of action against a governmental entity or the property owner, the owner's agent, the mortgagee, or other person with an interest in the property.

Acts 2008, No. 681, §1.