

**OKLAHOMA
RESIDENTIAL PROPERTY CONDITION DISCLOSURE ACT:
AN OVERVIEW OF 60 O.S.§31 et seq (1995)
(by Kraettli Q. Epperson)**

A. INTRODUCTION

1. STATUTE ENDS "BUYER BEWARE" APPROACH
2. SPECIALIZED SKILLS: MARKETING, FINANCE, TITLE CHECK & INSPECTING
3. LIMIT SELLER'S RISK: AVOID REPRESENTATIONS AND WARRANTIES; SECURE RELEASES AND WAIVERS
4. SHIFT RISK: EMPLOY EXPERTS, E.G., INSPECTORS

B. STEPS

1. DISCLOSURE/DISCLAIMER STATEMENT COMPLETED BY BOTH SELLERS, AND DATED
2. DISCLOSURE/DISCLAIMER STATEMENT DELIVERED TO AND SIGNED BY BOTH PROSPECTIVE BUYERS (WITHIN 180 DAYS)
3. PURCHASE CONTRACT SIGNED BY BOTH BUYERS AND PRESENTED TO SELLERS
4. PURCHASE CONTRACT SIGNED BY BOTH SELLERS
5. DISCLOSURE/DISCLAIMER STATEMENT UPDATED BY SELLERS, IF NEEDED
6. BUYER EITHER WAIVES OR CONDUCTS INSPECTIONS
7. BUYER SELECTS INSPECTOR
8. AT CLOSING, CLOSING ACKNOWLEDGMENT AND RELEASE FORM SIGNED BY BOTH BUYERS

C. GENERAL COMMENTS

1. AVOID TECHNICAL VIOLATIONS
 - a. DISCLOSURE STATEMENT OVER 180 DAYS OLD
 - b. PURCHASE CONTRACT SIGNED BY BUYERS BEFORE DISCLOSURE/DISCLAIMER STATEMENT DELIVERED TO BUYERS, AND CONTRACT NOT RE-CONFIRMED
 - c. ONLY ONE OF TWO SELLERS OR BUYERS SIGNED

- d. DISCLOSURE/DISCLAIMER STATEMENT
SEVERAL ITEMS ON DISCLOSURE/DISCLAIMER
STATEMENT LEFT BLANK
 - e. USING OBSOLETE DISCLOSURE/DISCLAIMER
STATEMENT
- USE OF POWER OF ATTORNEY FOR SELLER'S SIGNATURES
ON DISCLOSURE/DISCLAIMER STATEMENT
- RELIANCE ON POWER OF ATTORNEY, WITHOUT SEEING IT,
ON BUYER'S ACCEPTANCE OF
DISCLOSURE/DISCLAIMER STATEMENT
- COMPLETING DISCLOSURE IN PENCIL
- FAILING TO GET SELLER'S NEW SIGNATURE TO UPDATE
DISCLOSURE/DISCLAIMER STATEMENT UPON RE-
LISTING OR CHANGE OF CONDITIONS

2. AVOID INAPPROPRIATE USE OF DISCLAIMER

- a. BOTH CONDITIONS MUST BE MET:
 - i. NEVER OCCUPIED PREMISES, AND
 - ii. NOT KNOW OF A DEFECT
- b. PROPERTY OWNED BY TRUST, AND OCCUPIED BY
TRUSTEES, DOES NOT ALLOW TRUST TO DISCLAIM
ACTUAL KNOWLEDGE HELD BY TRUSTEES

3. REALTOR SHOULD AVOID MAKING ANY
REPRESENTATIONS

STATING THERE WERE TWO PREVIOUS INSPECTIONS,
IMPLIES THAT BUYERS SHOULD WAIVE OWN
INSPECTION

STATING THAT THE BUYER ONLY NEEDS A CHEAP
INSPECTION COVERING LESS THAN A WHOLE HOUSE
INSPECTION

STATING ANYTHING ABOUT THE CONDITION OF THE
HOUSE, E.G., ROOF DOES NOT LEAK

STATING THAT AN INSPECTION REPORT FOR TERMITES OR
WHOLE HOUSE IS ACCEPTABLE EVEN IF IT TAKES
MAJOR EXCEPTIONS TO AREAS OF THE HOUSE

(GARAGE DUE TO ITEMS STORED THEREIN) OR
OPERATING SYTEMS (NOT RUNNING “AC” IN WINTER,
OR NOT RUNNING “HEAT” IN SUMMER)

D. COMMON DEFECTS

SEWER BACKUPS

ROOF LEAKS

LOT DRAINAGE PROBLEMS

WATER IN AIR CONDITIONING DUCTS

TERMITE DAMAGE OR TREATMENT

STRUCTURAL DEFECTS

INTERACTION BETWEEN DEFECTS

(A:\PAPERS\2001\DISCLOSURE01)