NATIONAL / GENERAL WORKBOOK

Property Disclosures and Environmental Issues Texas Real Estate Exam Study Guide and Practice Workbook

This 9-item national area tests property and environmental conditions, the federal laws and reviews connected to them, and the disclosure obligations and liability that follow from known material information.

9	11.3%	15	9
SCORED EXAM ITEMS	OF THE NATIONAL PORTION	ORIGINAL QUESTIONS	ACTIVE RECALL CHECKS

Study rule
Name the condition, match the rule or review, then ask who knew the fact and which duty follows.

Reviewed September 24, 2026 | Version 3.0 | Original Pass Texas study material

START HERE

How to use this workbook

1. Read the blueprint and say the study rule aloud.
2. Learn the vocabulary as distinctions, not isolated definitions.
3. Work every recall check without looking at the answer.
4. Complete the 15-question checkpoint closed-book.
5. Turn every miss into one written rule and retest it after 24 hours.

Official blueprint	**Vocabulary**
Exam traps	**Recall drills**
Practice checkpoint	**Answer workshop**
Official sources	**Next actions**

Companion lesson · Free topic practice

Original, hypothetical practice questions. National questions teach general principles; a Texas example is not a nationwide rule. Follow the jurisdiction and facts stated in each question.

OFFICIAL BLUEPRINT

What Pearson VUE tests

This 9-item national area tests property and environmental conditions, the federal laws and reviews connected to them, and the disclosure obligations and liability that follow from known material information.

- A: lead, asbestos, radon, mold, groundwater, underground storage tanks, waste sites, brownfields, flood areas, and flood insurance
- A: Clean Air Act, Clean Water Act, EPA, CERCLA, SARA, Phase I and II assessments, impact statements, and wetlands
- B: environmental and property-condition disclosure obligations and liability

> **Practice target**
> Aim to explain the rule behind every answer, including correct guesses. An 80 percent practice target is Pass Texas study guidance, not an official booking requirement or a prediction of passing. This small question set is a checkpoint, not full coverage of the outline.

LANGUAGE OF THE EXAM

Essential vocabulary

TERM	EXAM-READY MEANING
Material fact	A fact significant enough to affect a reasonable party's decision or the property's value.
Lead disclosure	Federal disclosure package and buyer opportunity for most pre-1978 housing.
CERCLA	Federal Superfund cleanup and hazardous-substance liability law.
SARA	The 1986 CERCLA amendments; Title III created EPCRA.
Phase I	Records, history, interviews, and site review, normally without sampling.
Phase II	Targeted sampling and analysis of an environmental concern.
Radon	Radioactive soil gas; EPA action level is 4 pCi/L.
Asbestos	Fibrous mineral; friable material can release airborne fibers.
Mold	Moisture-related growth; Texas regulates specified mold work.
Underground storage tank	A regulated tank system whose releases can contaminate soil and groundwater.
Brownfield	Property whose reuse may be complicated by actual or potential contamination.
Environmental impact statement	A detailed NEPA review of significant effects and alternatives for a proposed major federal action.
Latent defect	A hidden property defect not readily found through ordinary observation.

DECISION QUALITY

Common traps and the rule that fixes each one

Trap 1
Phase I reviews. Phase II samples. An EIS evaluates a proposed major federal action.

Trap 2
CERCLA generally excludes petroleum. Petroleum tanks commonly fall under RCRA Subtitle I and state law.

Trap 3
The pre-1978 lead rule requires disclosure and a buyer opportunity, not testing or removal.

Trap 4
A Section 5.008 form exemption does not erase a license holder's independent defect duty.

Trap 5
Floodplain, flood zone, and mandatory flood insurance answer different questions.

ACTIVE RETRIEVAL

Recall drills

Cover each answer, respond in one sentence, then compare your rule with the model answer.

1. Which review normally collects soil or groundwater samples?

Phase II. Phase I reviews; an EIS evaluates a federal action.

2. May an agent conceal a defect when the seller's notice is exempt?

No. The seller's form duty and the agent's defect duty are separate.

3. What does the pre-1978 lead rule require?

Disclosure, records, pamphlet, warnings, and a buyer opportunity. Not testing.

4. Which Texas deaths have an express no-duty rule?

Natural death, suicide, and an unrelated accident. Section 5.008(c).

5. Does a Phase I create automatic CERCLA immunity?

No. It supports AAI; every protection criterion still matters.

6. What is Texas's registry no-duty authority?

Code of Criminal Procedure Article 62.056(e).

7. What law commonly governs leaking petroleum underground tanks?

The UST program authorized by RCRA Subtitle I and state law. CERCLA generally excludes petroleum.

8. What does Clean Water Act Section 404 address?

Discharges of dredged or fill material into covered waters, with the Army Corps issuing most permits and EPA providing oversight.

9. What facts activate DTPA Section 17.46(b)(24)?

Known information, nondisclosure intended to induce the transaction, and a consumer who would not have entered had it been disclosed.

CLOSED-BOOK CHECKPOINT

15 original exam-style questions

Directions
Choose one answer for every question. Mark uncertain answers with a star. Score certainty and correctness separately.

QUESTION 1 | DISCLOSURES & ENVIRONMENT

1. An ordinary sale of a 1975 single-family home is covered by the federal lead-disclosure rule. The seller has no known lead information or reports and has never tested the home. What is required before the buyer becomes obligated?

A. Test every painted surface before making disclosures
B. Complete the required lead-disclosure process
C. Remove the original paint before accepting an offer
D. Replace disclosure with a general home warranty

QUESTION 2 | DISCLOSURES & ENVIRONMENT

2. A properly conducted home radon test measures 4 pCi/L. What does EPA guidance recommend at that level?

A. Treat it as a guarantee of safe indoor air
B. Rely on the absence of an unusual odor
C. Wait until the reading reaches 10 pCi/L
D. Take action to reduce the radon level

QUESTION 3 | DISCLOSURES & ENVIRONMENT

3. A factory proposes a point-source discharge of pollutants through a pipe into waters of the United States. No exception applies. Which federal program is the match?

A. Clean Water Act: NPDES
B. Clean Air Act permits
C. CERCLA cleanup
D. Title X disclosures

QUESTION 4 | DISCLOSURES & ENVIRONMENT

4. A developer proposes discharging fill into wetlands confirmed to be waters of the United States. The activity has no applicable exemption. Which federal authorization must be addressed?

A. A lead-disclosure acknowledgment

B. An air-quality operating permit

C. Clean Water Act Section 404 authorization

D. A Superfund liability settlement

QUESTION 5 | DISCLOSURES & ENVIRONMENT

5. A purchaser wants to satisfy all appropriate inquiries before acquisition for a potential CERCLA liability protection. Which timing statement matches the federal AAI rule?

A. Finish all inquiries within one year after closing

B. A report has no age limit if ownership is unchanged

C. Repeat every inquiry within 30 days before closing

D. Use the one-year window and 180-day component updates

QUESTION 6 | DISCLOSURES & ENVIRONMENT

6. A site review identifies a possible solvent release. An environmental professional recommends targeted soil and groundwater sampling to investigate it. Which assessment normally performs that work?

A. Phase I environmental site assessment

B. Phase II environmental site assessment

C. A NEPA environmental impact statement

D. A FEMA flood-map determination

QUESTION 7 | DISCLOSURES & ENVIRONMENT

7. A service station's regulated underground tank leaks ordinary gasoline. Which federal framework specifically regulates petroleum underground storage tanks?

A. RCRA Subtitle I and UST rules

B. CERCLA alone

C. Title X disclosure rules

D. NPDES permits alone

QUESTION 8 | DISCLOSURES & ENVIRONMENT

8. Which status is expressly one of CERCLA Section 107's potentially responsible party classes, even if that person did not personally cause the contamination?

A. An unrelated neighboring landowner

B. An appraiser with no ownership or operating role

C. The facility's current owner or operator

D. A buyer who only viewed the property

QUESTION 9 | DISCLOSURES & ENVIRONMENT

9. In a covered lead-disclosure sale, the listing agent properly informs the seller of the federal obligations. The seller conceals known lead hazards from that agent. What does Section 745.115(b) protect the agent against?

A. Every claim relating to the property's condition

B. Liability for the seller's undisclosed lead knowledge

C. Responsibility for the agent's own false statements

D. The need to ensure the required paperwork is completed

QUESTION 10 | DISCLOSURES & ENVIRONMENT

10. A buyer proves a knowing violation of the federal lead-disclosure rule and $8,000 in damages caused by it. What is three times those damages under Section 745.118(c), before any separately awarded fees?

A. $8,000

B. $16,000

C. $32,000

D. $24,000

QUESTION 11 | DISCLOSURES & ENVIRONMENT

11. A home has confirmed asbestos-containing material in good condition. It will not be disturbed by use or remodeling. Which response matches EPA guidance?

A. Sand the surface to check whether it sheds fibers

B. Remove the material before any home can be sold

C. Leave it undisturbed and monitor its condition

D. Drill a sample without involving a specialist

QUESTION 12 | DISCLOSURES & ENVIRONMENT

12. Mold returns on a wall after a plumbing leak. The proposed repair is to repaint while leaving the leak unresolved. What essential step is missing?

A. Fix the moisture source and address the mold

B. Choose a darker paint to cover the staining

C. Wait for the wall to stop smelling before closing

D. Treat a fresh coat as proof of successful cleanup

QUESTION 13 | DISCLOSURES & ENVIRONMENT

13. A home is outside the mapped high-risk flood area. The buyer assumes this guarantees no flooding and that ordinary homeowners insurance covers flood damage. Which correction is sound?

A. A lower-risk designation guarantees no future flood

B. Every homeowners policy automatically covers floods

C. Flood insurance is available only in high-risk areas

D. Flood risk remains; check separate flood coverage

QUESTION 14 | DISCLOSURES & ENVIRONMENT

14. In a covered pre-1978 sale, the buyer signs a written waiver of the federal lead inspection opportunity. Which requirement remains?

A. The seller must remove all lead before closing

B. The buyer must still take exactly ten days to inspect

C. The required disclosures and contract acknowledgments

D. The seller must obtain a new lead-free certification

QUESTION 15 | DISCLOSURES & ENVIRONMENT

15. A new one-year lease of a 1970 house is covered by the federal lead-disclosure rule. Which statement correctly separates a tenant's rights from a purchaser's rights under this rule?

A. Disclosures apply, but the ten-day purchaser right does not

B. No disclosure is required unless the tenant has a young child

C. The landlord must give the tenant a ten-day purchase inspection period

D. The tenant must pay for abatement before receiving the pamphlet

ANSWER WORKSHOP

Reasoning, traps and source cues

Read the explanation even when your answer was correct. A correct guess is not yet a mastered rule.

1 B. Complete the required lead-disclosure process

Lack of knowledge does not excuse the disclosure process. The seller states the lack of known information and records, provides an EPA-approved pamphlet, and completes the required contract warnings and acknowledgments. An inspection opportunity also applies, with written waiver or timing changes allowed. This disclosure rule does not itself require testing or removal.

> **Common trap:** The question says the sale is covered. Do not invent an exemption because no test was done.

Rule: 40 CFR 745.107, 745.110 and 745.113

Check the source: 40 CFR 745.107: seller and lessor disclosures; 40 CFR 745.113: contract warnings and acknowledgments; 40 CFR 745.110: inspection opportunity and written waiver

2 D. Take action to reduce the radon level

EPA recommends fixing a home at 4 pCi/L or above and considering action between 2 and 4 pCi/L. The action level is not a boundary below which exposure is risk-free. It is health guidance, not proof that every sale has the same testing or disclosure requirement.

> **Common trap:** A recommended action level is not an automatic legal requirement to test every home sale.

Rule: EPA radon guidance; 4 pCi/L action level

Check the source: EPA: radon action level and lower-level risk

3 A. Clean Water Act: NPDES

The National Pollutant Discharge Elimination System regulates covered pollutant discharges from point sources to waters of the United States. EPA or an authorized state administers the permit. Sending wastewater to a municipal sewer presents a different regulatory question.

> **Common trap:** Read both the discharge source and the receiving water; not every wet location is federally jurisdictional.

Rule: Clean Water Act Section 402; 33 USC 1342

Check the source: EPA: NPDES permit basics

4 **C. Clean Water Act Section 404 authorization**

Section 404 regulates discharges of dredged or fill material into jurisdictional waters, including covered wetlands. The facts establish jurisdiction and remove the exemption question. In a real project, the appropriate permitting authority must determine the applicable permit path; wet ground alone does not answer that question.

> **Common trap:** Neither 'all wetlands are unbuildable' nor 'a local building permit is enough' is a sound general rule.

Rule: Clean Water Act Section 404; 33 USC 1344

Check the source: EPA: Section 404 permit requirements and exemptions

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5 **D. Use the one-year window and 180-day component updates**

AAI must be conducted within the year before acquisition. Specified components must be conducted or updated within 180 days, including interviews, lien searches, government-record reviews, visual inspections and the environmental professional's declaration. Completing AAI is not automatic immunity; the claimed protection has other requirements and continuing obligations.

> **Common trap:** Check when the work was done, not just the date printed on the report cover.

Rule: 40 CFR 312.20(a)-(c)

Check the source: 40 CFR 312.20: one-year and 180-day inquiry requirements; EPA: all appropriate inquiries and liability protections

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6 **B. Phase II environmental site assessment**

Phase II uses sampling and analysis to investigate identified concerns. Phase I ordinarily relies on records, interviews and site observation rather than sampling. An environmental impact statement is a different federal review document for proposed agency actions meeting NEPA's review thresholds, not the next name for a Phase II.

> **Common trap:** A Phase I is not a guarantee that every indoor hazard, such as mold or radon, has been tested.

Rule: Environmental assessment practice; 40 CFR Part 312; 42 USC 4336

Check the source: EPA: Phase I review and Phase II sampling; EPA: all appropriate inquiries and liability protections; 42 USC 4336: NEPA review thresholds

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7 **A. RCRA Subtitle I and UST rules**

The federal UST program under RCRA Subtitle I regulates petroleum tanks, with state programs also important. CERCLA generally excludes petroleum from its hazardous-substance definition. That exclusion is not a release from cleanup duties; separately added hazardous substances or other contamination can change the analysis.

> **Common trap:** First identify what leaked. Do not treat every contaminated site as the same CERCLA fact pattern.

Rule: RCRA Subtitle I; 40 CFR Part 280; CERCLA Section 101(14)

Check the source: EPA: underground storage tank regulation; EPA: CERCLA petroleum exclusion

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8 **C. The facility's current owner or operator**

Current owners and operators are a listed class. The others include owners or operators at disposal, qualifying arrangers, and transporters who selected the site. Liability can be strict and retroactive, and joint and several for indivisible harm. A particular claim still requires the legal elements, with applicable defenses and protections considered.

> **Common trap:** 'I did not cause it' is not, by itself, a complete defense for an owner.

Rule: CERCLA Section 107(a); 42 USC 9607(a)

Check the source: EPA: Superfund liability and responsible-party classes

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9 **B. Liability for the seller's undisclosed lead knowledge**

The subsection protects an agent who properly informed the seller from liability for failing to disclose seller-known lead information withheld from the agent. It does not remove the agent's separate duty to ensure compliance or excuse the agent's own concealment or misrepresentation.

> **Common trap:** A narrow protection for withheld information is not blanket immunity.

Rule: 40 CFR 745.115(a)-(b)

Check the source: 40 CFR 745.115: agent duties and withheld information

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10 **D. $24,000**

Three times $8,000 is $24,000. The provision ties civil liability to a knowing violation and damages incurred; it is not a fixed payment for every incomplete form. Government enforcement is separate, and an actual claim requires proof of its elements.

> **Common trap:** Treble damages means three times the damages, not the original amount plus three more copies.

Rule: 40 CFR 745.118(c)-(d); 42 USC 4852d(b)(3)

Check the source: 40 CFR 745.118: enforcement and civil damages

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11 **C. Leave it undisturbed and monitor its condition**

EPA generally advises leaving sound, undisturbed asbestos-containing material alone. Damage or disturbance can release fibers. If it deteriorates or work will disturb it, obtain advice from a trained asbestos professional. This safety guidance does not decide separate disclosure, renovation or local-law requirements.

> **Common trap:** Identifying asbestos is not the same as deciding that immediate removal is the safest response.

Rule: EPA asbestos safety guidance

Check the source: EPA: undamaged versus disturbed asbestos-containing material

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12 A. Fix the moisture source and address the mold

EPA's guidance puts moisture control and mold cleanup together. Repainting a moldy, damp surface is not a substitute for either. The size, cause and extent of the problem determine the appropriate professional help; this question is not a remediation plan or a health diagnosis.

> **Common trap:** A clean-looking surface does not establish that the underlying problem has been corrected.

Rule: EPA mold and moisture guidance

Check the source: EPA: mold, moisture and why painting is not remediation

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13 D. Flood risk remains; check separate flood coverage

Flooding can occur outside high-risk zones. Most homeowners policies do not cover flood damage, so review the actual policy and flood-insurance options. Map designations, lender requirements and insurance coverage answer different questions; a map is not a property warranty.

> **Common trap:** 'Not required by this lender' and 'not worth considering' are different conclusions.

Rule: FEMA/NFIP flood-risk and insurance guidance

Check the source: FEMA/NFIP: flood zones and remaining risk; FEMA/NFIP: flood insurance versus homeowners coverage

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14 C. The required disclosures and contract acknowledgments

A purchaser can waive the inspection opportunity in writing. The parties can also agree in writing to a different inspection period. Neither change removes the required known-information disclosures, available reports, pamphlet or contract acknowledgments.

> **Common trap:** Do not confuse this specific federal opportunity with a general inspection contingency or a Texas option period.

Rule: 40 CFR 745.110 and 745.113

Check the source: 40 CFR 745.110: inspection opportunity and written waiver; 40 CFR 745.113: contract warnings and acknowledgments

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15 A. Disclosures apply, but the ten-day purchaser right does not

Covered tenants receive the required lead disclosures, available records, pamphlet and lease acknowledgments before becoming obligated. The ten-day evaluation opportunity in Section 745.110 is for purchasers, not a federal rental inspection period. Other laws and the lease can create additional rights.

> **Common trap:** Lead-disclosure duties cover sales and leases, but not every provision applies to both in the same way.

Rule: 40 CFR 745.107, 745.110 and 745.113(b)

Check the source: 40 CFR 745.107: seller and lessor disclosures; 40 CFR 745.110: inspection opportunity and written waiver; 40 CFR 745.113: contract warnings and acknowledgments

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BUILD RETENTION

Your miss log and next actions

QUESTION	RULE I MISSED	WHY I MISSED IT	RETEST DATE

LEARN THE CONCEPT

www.passtexasrealestate.com/study-guide/property-disclosures-environmental/cheat-sheet

PRACTICE THIS TOPIC

www.passtexasrealestate.com/practice-questions/property-disclosures-environmental

SOURCE REGISTER

Sources and edition notes

Edition reviewed September 24, 2026 against the exam outline and rules effective September 23, 2026. References include controlling authorities and supporting explanations. For a changing rule, form or appointment policy, check the current official source.

SOURCE	DIRECT LINK
Pearson VUE Texas Real Estate Content Outlines	www.pearsonvue.com/content/dam/VUE/vue/en/documents/publications/094401.pdf
eCFR, 40 CFR Part 745 Subpart F	www.ecfr.gov/current/title-40/chapter-I/subchapter-R/part-745/subpart-F
EPA, current lead disclosure pamphlet	www.epa.gov/lead/protect-your-family-lead-your-home-real-estate-disclosure
EPA, Superfund: CERCLA Overview	www.epa.gov/superfund/superfund-cercla-overview
EPA, All Appropriate Inquiries	www.epa.gov/brownfields/brownfields-all-appropriate-inquiries
EPA, Clean Water Act Section 404	www.epa.gov/cwa-404
Texas Property Code Section 5.008	statutes.capitol.texas.gov/Docs/PR/htm/PR.5.htm#5.008
Texas Occupations Code Section 1101.652	statutes.capitol.texas.gov/Docs/OC/htm/OC.1101.htm#1101.652
40 CFR 745.101: exempt transactions	www.law.cornell.edu/cfr/text/40/745.101
40 CFR 745.103: target housing and defined terms	www.law.cornell.edu/cfr/text/40/745.103
40 CFR 745.107: seller and lessor disclosures	www.law.cornell.edu/cfr/text/40/745.107
40 CFR 745.110: inspection opportunity and written waiver	www.law.cornell.edu/cfr/text/40/745.110
40 CFR 745.113: contract warnings and acknowledgments	www.law.cornell.edu/cfr/text/40/745.113
40 CFR 745.115: agent duties and withheld information	www.law.cornell.edu/cfr/text/40/745.115
40 CFR 745.118: enforcement and civil damages	www.law.cornell.edu/cfr/text/40/745.118
EPA: radon action level and lower-level risk	www.epa.gov/radon/what-epas-action-level-radon-and-what-does-it-mean
EPA: NPDES permit basics	www.epa.gov/npdes/npdes-permit-basics
EPA: Section 404 permit requirements and exemptions	www.epa.gov/cwa-404/exemptions-permit-requirements-under-cwa-section-404
40 CFR 312.20: one-year and 180-day inquiry requirements	www.law.cornell.edu/cfr/text/40/312.20
EPA: Phase I review and Phase II sampling	www.epa.gov/land-revitalization/revitalization-ready-guide-chapter-3-reuse-assessment

SOURCE	DIRECT LINK
42 USC 4336: NEPA review thresholds	www.law.cornell.edu/uscode/text/42/4336
EPA: CERCLA petroleum exclusion	www.epa.gov/epcra/cercla-petroleum-exclusion
EPA: underground storage tank regulation	www.epa.gov/ust/frequent-questions-about-underground-storage-tanks
EPA: Superfund liability and responsible-party classes	www.epa.gov/enforcement/superfund-liability
EPA: undamaged versus disturbed asbestos-containing material	www.epa.gov/asbestos/protect-your-family-exposures-asbestos
EPA: mold, moisture and why painting is not remediation	www.epa.gov/mold/brief-guide-mold-moisture-and-your-home
FEMA/NFIP: flood zones and remaining risk	www.floodsmart.gov/flood-zones-and-maps/what-is-my-flood-zone
FEMA/NFIP: flood insurance versus homeowners coverage	www.floodsmart.gov/get-insured/buy-a-policy
CFPB: independent inspection and contract rights	www.consumerfinance.gov/owning-a-home/close/schedule-a-home-inspection/
Texas Property Code 5.008: seller notice, knowledge and exemptions	tcss.legis.texas.gov/resources/PR/htm/PR.5.htm#5.008
Texas Occupations Code 1101.652(b)(3)-(4): known significant defects	tcss.legis.texas.gov/resources/OC/htm/OC.1101.htm#1101.652
Texas Code of Criminal Procedure 62.056(e), PDF pages 34-35	tcss.legis.texas.gov/resources/CR/pdf/CR.62.pdf#page=34
Texas DPS: official sex-offender registration program	www.dps.texas.gov/section/crime-records/texas-sex-offender-registration-program
Texas DTPA: 17.46(b)(24) and 17.49(c), (i)	tcss.legis.texas.gov/resources/BC/htm/BC.17.htm#17.46
Pearson VUE Texas Real Estate Candidate Handbook #094400, September 2026, revision 08/2026	www.pearsonvue.com/content/dam/VUE/vue/en/documents/publications/094400.pdf
Texas Real Estate Commission rules and laws	www.trec.texas.gov/agency-information/rules-and-laws

Maintenance record

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PUT ONE RULE INTO PRACTICE

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