

AN ACT

relating to the extension of, addition to, or modification of existing restrictive covenants in certain residential subdivisions.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 204.003, Property Code, is amended to read as follows:

Sec. 204.003. PROVISIONS OF RESTRICTIVE COVENANTS PREVAIL IN CERTAIN CIRCUMSTANCES. (a) An express designation in a document creating restrictions applicable to a residential real estate subdivision that provides for the extension of, addition to, or modification of existing restrictions by a designated number of owners of real property in the subdivision prevails over the provisions of this chapter.

(b) Notwithstanding Subsection (a), for a residential subdivision described by Subsection (c), the provisions of this chapter prevail over an express designation in a document described by Subsection (a) if:

(1) the designated number of owners of real property in the subdivision required for approval of an extension of, addition to, or modification of the document is more than 75 percent; or

(2) the designation prohibits the extension of, addition to, or modification of an existing restriction for a

1 certain time period and that time period has not expired.

2 (c) Subsection (b) applies to a residential subdivision  
3 that is located in a county described by Section 204.002(a)(3)  
4 other than a gated community with private streets.

5 SECTION 2. This Act takes effect only if Senate Bill 979,  
6 Acts of the 80th Legislature, Regular Session, 2007, does not  
7 become law. If that bill becomes law, this Act has no effect.

8 SECTION 3. This Act takes effect September 1, 2007.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 3518 was passed by the House on May 4, 2007, by the following vote: Yeas 144, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3518 on May 25, 2007, by the following vote: Yeas 138, Nays 0, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 3518 was passed by the Senate, with amendments, on May 22, 2007, by the following vote: Yeas 30, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor