By: CreightonH.B. No. 3518Substitute the following for H.B. No. 3518:By: ZedlerC.S.H.B. No. 3518

## A BILL TO BE ENTITLED

AN ACT

## 2 relating to the extension of, addition to, or modification of 3 existing restrictive covenants in certain residential 4 subdivisions.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 6 SECTION 1. Section 204.003, Property Code, is amended to 7 read as follows:

8 Sec. 204.003. PROVISIONS OF RESTRICTIVE COVENANTS PREVAIL 9 IN CERTAIN CIRCUMSTANCES. (a) An express designation in a 10 document creating restrictions applicable to a residential real 11 estate subdivision that provides for the extension of, addition to, 12 or modification of existing restrictions by a designated number of 13 owners of real property in the subdivision prevails over the 14 provisions of this chapter.

15 (b) Notwithstanding Subsection (a), for a residential 16 subdivision described by Subsection (c), the provisions of this 17 chapter prevail over an express designation in a document described 18 by Subsection (a) if:

19 <u>(1) the designated number of owners of real property</u>
20 <u>in the subdivision required for approval of an extension of,</u>
21 <u>addition to, or modification of the document is more than 75</u>
22 <u>percent; or</u>

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

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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 September 1, 2007.