

By: Creighton

H.B. No. 3518

A BILL TO BE ENTITLED

AN ACT

relating to the powers of a property owners' association relating to restrictive covenants in certain 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:

(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), where the document creating restrictions provides for the extension of, addition to, or modification of existing restrictions:

(1) by a designated number of owners greater than 75 percent; or

(2) only after a designated number of years, and prior to such times exists a "freeze out" period when the restrictions cannot be extended, added to, or modified until after the expiration of such designated numbers of years;

Then the provisions of Chapter 204 shall apply to allow for the extension of, addition to, or modification of the restrictions as prescribed by the provisions of Chapter 204 and shall prevail

1 over the express provisions of the restrictions.

2 (c) The provisions found in Chapter 204.003 (b) shall only
3 apply to:

4 (1) counties defined by Chapter 204.002(a)(3); and

5 (2) residential real estate subdivisions within said
6 counties which are not gated communities with private streets.

7 SECTION 2. This Act takes effect September 1, 2007