

By: Lucio

S.B. No. 1038

A BILL TO BE ENTITLED

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AN ACT

relating to notice and certain restrictions regarding the nonrenewal of lease agreements in manufactured home communities; providing a civil penalty.

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

SECTION 1. Section 94.051, Property Code, is amended to read as follows:

Sec. 94.051. INFORMATION TO BE PROVIDED TO PROSPECTIVE TENANT. At the time the landlord receives an application from a prospective tenant, the landlord shall give the tenant a copy of:

- (1) the proposed lease agreement for the manufactured home community;
- (2) any manufactured home community rules; and
- (3) a separate disclosure statement with the following prominently printed in at least 10-point type:

"You have the legal right to an initial lease term of six months. If you prefer a different lease period, you and your landlord may negotiate a shorter or longer lease period. After the initial lease period expires, you and your landlord may negotiate a new lease term by mutual agreement. Your landlord must offer to renew your lease unless you have violated the terms of your expired lease agreement. Regardless of the term of the lease, if the recreational vehicle is tied to, affixed, or otherwise a permanent part of the premises, the landlord must give you at least 60 days'

1 notice if the landlord will not renew your lease and will require
2 that you relocate your manufactured home or recreational vehicle.
3 During the 60-day period, you must continue to pay all rent and
4 other amounts due under the lease agreement, including late
5 charges, if any."

6 SECTION 2. Subsection (b), Section 94.052, Property Code,
7 is amended to read as follows:

8 (b) Except as provided by Section 94.204, regardless
9 ~~[Regardless]~~ of the term of the lease, the landlord must provide
10 notice to the tenant not later than the 60th day before the date of
11 the expiration of the lease if the landlord chooses ~~[does]~~ not to
12 renew the lease for good cause under Section 94.207. During the
13 60-day period, the tenant must pay all rent and other amounts due
14 under the lease agreement, including late charges, if any.

15 SECTION 3. Subsection (c), Section 94.053, Property Code,
16 is amended to read as follows:

17 (c) A lease agreement must contain the following
18 information:

- 19 (1) the address or number of the manufactured home lot
- 20 and the number and location of any accompanying parking spaces;
- 21 (2) the lease term;
- 22 (3) the rental amount;
- 23 (4) the interval at which rent must be paid and the
- 24 date on which periodic rental payments are due;
- 25 (5) any late charge or fee or charge for any service or
- 26 facility;
- 27 (6) the amount of any security deposit;

1 (7) a description of the landlord's maintenance
2 responsibilities;

3 (8) the telephone number of the person who may be
4 contacted for emergency maintenance;

5 (9) the name and address of the person designated to
6 accept official notices for the landlord;

7 (10) the penalty the landlord may impose for the
8 tenant's early termination as provided by Section 94.201;

9 (11) the grounds for eviction as provided by
10 Subchapter E, including the requirement that good cause is required
11 for termination or nonrenewal of the lease;

12 (12) a disclosure of the landlord's right to refuse to
13 renew [~~terminate~~] the lease agreement if there is a change in the
14 land use of the manufactured home community [~~during the lease term~~]
15 as provided by Section 94.204;

16 (13) a disclosure of any incorporation by reference of
17 an addendum relating to submetering of utility services;

18 (14) a prominent disclosure informing the tenant that
19 Chapter 94, Property Code, governs certain rights granted to the
20 tenant and obligations imposed on the landlord by law;

21 (15) if there is a temporary zoning permit for the land
22 use of the manufactured home community, the date the zoning permit
23 expires; and

24 (16) any other terms or conditions of occupancy not
25 expressly included in the manufactured home community rules.

26 SECTION 4. Section 94.055, Property Code, is amended to
27 read as follows:

1 Sec. 94.055. NOTICE OF LEASE RENEWAL. (a) The landlord
2 shall provide a tenant [~~a notice to vacate the leased premises or~~]
3 an offer of lease renewal[+]

4 [~~(1)~~] not later than the 60th day before the date the
5 current lease term expires[+ ~~or~~

6 [~~(2) if the lease is a month-to-month lease, not later~~
7 [~~than the 60th day before the date the landlord intends to~~
8 [~~terminate the current term of the lease~~].

9 (b) The [~~If the landlord offers to renew the lease, the~~]
10 landlord shall notify the tenant of the proposed rent amount and any
11 change in the lease terms. The notice must also include a statement
12 informing the tenant that the tenant's failure to reject the
13 landlord's offer to renew the lease within the 30-day period
14 prescribed by Subsection (c) will result in the renewal of the lease
15 under the modified terms as provided by Subsection (c).

16 (c) The [~~If the landlord offers to renew the lease, the~~]
17 tenant must notify the landlord not later than the 30th day before
18 the date the current lease expires whether the tenant rejects the
19 terms of the offer and intends to vacate the leased premises on the
20 date the current lease term expires. If the tenant fails to provide
21 the notice within the period prescribed by this subsection, the
22 lease is renewed under the modified terms beginning on the first day
23 after the date of the expiration of the current lease term.

24 [~~(d) Notwithstanding Subsection (a), the landlord may~~
25 ~~request a tenant to vacate the leased premises before the end of the~~
26 ~~notice period prescribed by Subsection (a) only if the landlord~~
27 ~~compensates the tenant in advance for relocation expenses,~~

1 ~~including the cost of moving and installing the manufactured home~~
2 ~~at a new location.]~~

3 SECTION 5. The heading to Section 94.204, Property Code, is
4 amended to read as follows:

5 Sec. 94.204. NONRENEWAL OF LEASE [~~TERMINATION~~] FOR CHANGE
6 IN LAND USE.

7 SECTION 6. Section 94.204, Property Code, is amended by
8 amending Subsection (a) and adding Subsection (c) to read as
9 follows:

10 (a) A landlord may refuse to renew [~~terminate~~] a lease
11 agreement to change the manufactured home community's land use only
12 if not later than the 120th day before the date the land use will
13 change or the 30th day after the date the landlord learns the land
14 use will change, whichever is earlier:

15 (1) [~~not later than the 120th day before the date the~~
16 ~~land use changes,~~] the landlord sends notice to the tenant, to the
17 owner of the manufactured home if the owner is not the tenant, and
18 to the holder of any lien on the manufactured home:

19 (A) specifying the date that the land use will
20 change; and

21 (B) informing the tenant, owner, and lienholder,
22 if any, that the owner must relocate the manufactured home; and

23 (2) [~~not later than the 120th day before the date the~~
24 ~~land use changes,~~] the landlord posts in a conspicuous place in the
25 manufactured home community a notice stating that the land use will
26 change and specifying the date that the land use will change.

27 (c) This section does not authorize a landlord to change the

1 land use, terminate or modify a lease, or require an owner to
2 relocate a manufactured home prior to the expiration of a lease
3 term.

4 SECTION 7. Section 94.205, Property Code, is amended to
5 read as follows:

6 Sec. 94.205. TERMINATION AND EVICTION OR NONRENEWAL FOR
7 VIOLATION OF LEASE. A landlord may terminate the lease agreement
8 and evict a tenant or may choose not to renew the tenant's lease for
9 a serious violation of a lease provision, including a manufactured
10 home community rule incorporated in the lease, or other good cause.

11 SECTION 8. Section 94.206, Property Code, is amended to
12 read as follows:

13 Sec. 94.206. TERMINATION AND EVICTION OR NONRENEWAL FOR
14 NONPAYMENT OF RENT. A landlord may terminate the lease agreement
15 and evict a tenant or may choose not to renew the tenant's lease if:

16 (1) the tenant fails to timely pay rent or other
17 amounts due under the lease that in the aggregate equal the amount
18 of at least one month's rent;

19 (2) the landlord notifies the tenant in writing that
20 the payment is delinquent; and

21 (3) the tenant has not tendered the delinquent payment
22 in full to the landlord before the 10th day after the date the
23 tenant receives the notice.

24 SECTION 9. Subchapter E, Chapter 94, Property Code, is
25 amended by adding Section 94.207 to read as follows:

26 Sec. 94.207. FAILURE TO RENEW LEASE PROHIBITED WITHOUT GOOD
27 CAUSE. (a) A landlord may choose not to renew a lease only for

1 good cause. Good cause includes a violation under Section 94.205 or
2 94.206.

3 (b) A provision of an agreement that purports to waive a
4 right or exempt a party from liability or a duty under this section
5 is void.

6 SECTION 10. The change in law made by this Act applies to a
7 landlord who chooses not to renew a lease agreement on or after the
8 effective date of this Act, regardless of when the lease agreement
9 was entered into or signed.

10 SECTION 11. This Act takes effect September 1, 2007.