

By: Hegar

S.B. No. 2481

A BILL TO BE ENTITLED

AN ACT

relating to an exception to prohibition of fees for future transfer of real property.

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

SECTION 1. Subchapter A, Chapter 5, Property Code, is amended by adding Section (4a) to Section 5.017 (c) as follows:

Sec. 5.017. FEE FOR FUTURE CONVEYANCE OF RESIDENTIAL REAL PROPERTY AND RELATED LIEN PROHIBITED. (a) In this section, "property owners' association" has the meaning assigned by Section 209.002.

(b) A deed restriction or other covenant running with the land applicable to the conveyance of residential real property that requires a transferee of residential real property or the transferee's heirs, successors, or assigns to pay a declarant of other person imposing the deed restriction or covenant on the property or a third party designated by a transferor of the property a fee in connection with a future transfer of the property is prohibited. A deed restriction or other covenant running with the land that violates this section or a lien purporting to encumber the land to secure a right under a deed restriction or other covenant running with the land that violates this section is void and unenforceable. For purposes of this section, a conveyance of real property includes a conveyance or other transfer of an interest or estate in residential real property.

1 (c) This section does not apply to a deed restriction or
2 other covenant running with the land that requires a fee associated
3 with the conveyance of property in a subdivision that is payable to:

4 (1) a property owners' association that manages or
5 regulates the subdivision or the association's managing agent if
6 the subdivision contains more than one platted lot;

7 (2) an entity organized under Section 501(c)(3),
8 Internal Revenue Code of 1986; ~~or~~

9 (3) a governmental entity, or

10 (4) An entity other than a property owners association
11 that operates a golf course and country club in or adjacent to one
12 or more subdivisions where the owners of real property in such
13 subdivisions are required by deed restriction to obtain and
14 maintain a membership in such club.

15 SECTION 2. This Act takes effect immediately if it receives
16 a vote of two-thirds of all the members elected to each house, as
17 provided by Section 39, Article III, Texas Constitution. If this
18 Act does not receive the vote necessary for immediate effect, this
19 Act takes effect September 1, 2009.