

By: Hinojosa

H.B. No. 1057

A BILL TO BE ENTITLED

AN ACT

relating to restrictions on the purchase of a single-family home by an investment firm.

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

SECTION 1. Subchapter A, Chapter 5, Property Code, is amended by adding Section 5.0155 to read as follows:

Sec. 5.0155. LIMITATION ON CERTAIN PURCHASERS. (a) In this section, "investment firm" means a corporation or trust engaged in the business of investing the pooled capital of investors in financial securities.

(b) An investment firm may not enter into an executory contract to purchase a single-family home that is listed for sale before the 30th day after the date the home is listed.

(c) A contract entered into in violation of this section is voidable by the seller at any time before the contract is fully executed.

SECTION 2. Section 5.0155, Property Code, as added by this Act, applies only to an executory contract entered into on or after the effective date of this Act.

SECTION 3. This Act takes effect September 1, 2023.