

PROPERTY CODE

CHAPTER 206. EXTENSION OF RESTRICTIONS IMPOSING REGULAR  
ASSESSMENTS IN CERTAIN SUBDIVISIONS

Sec. 206.001. DEFINITIONS. In this chapter:

(1) "Community association" means an incorporated association created to enforce restrictions.

(2) "Dedictory instrument" and "restrictive covenant" have the meanings assigned by Section 202.001.

(3) "Lienholder," "owner," "real property records," "residential real estate subdivision," and "restrictions" have the meanings assigned by Section 201.003.

(4) "Regular assessment" means an assessment, charge, fee, or dues that each owner is required to pay to the community association on a regular basis and that is to be used by the association for the benefit of the subdivision in accordance with the original, extended, added, or modified restrictions.

Added by Acts 1997, 75th Leg., ch. 1249, Sec. 1, eff. Sept. 1, 1997.

Sec. 206.002. APPLICABILITY OF CHAPTER. This chapter applies only to:

(1) a residential real estate subdivision that:

(A) consists of at least 4,600 homes;

(B) is located in whole or in part in a municipality with a population of more than 1.6 million located in a county with a population of 2.8 million or more; and

(C) has restrictions the terms of which are automatically extended but has a regular assessment that is established by a separate document that permits the assessment to expire and does not provide for extension of the term of the assessment; or

(2) a residential real estate subdivision that:

(A) consists of at least 750 homes;

(B) is located in two adjacent municipalities in a county with a population of 2.8 million or more; and

(C) has use restrictions the terms of which are automatically extended but has a regular assessment that is established by two separate documents that permit the assessment to expire and do not provide for extension of the term of the assessment.

Added by Acts 1997, 75th Leg., ch. 1249, Sec. 1, eff. Sept. 1, 1997.

Amended by Acts 2001, 77th Leg., ch. 597, Sec. 1, eff. Sept. 1, 2001.

Sec. 206.003. EXTENSION OF RESTRICTION IMPOSING REGULAR ASSESSMENT. (a) A community association may approve and submit to a vote of the owners an extension of a restriction imposing a regular assessment.

(b) The extension of a restriction imposing a regular assessment is approved if a majority of the owners in the subdivision who vote on the issue in accordance with Section 206.004 vote in favor of the extension.

(c) An extension approved in accordance with this section and Section 206.004 applies to all real property in the subdivision, including residential and commercial property.

(d) A document certifying that a majority of the owners voting on the issue approved the extension of the restriction must be recorded in the real property records of the county in which the subdivision is located.

Added by Acts 1997, 75th Leg., ch. 1249, Sec. 1, eff. Sept. 1, 1997.

Sec. 206.004. METHOD OF VOTING. (a) An extension of a restriction that imposes a regular assessment must be voted on:

(1) by a written ballot that states the substance of the amendment extending the restriction and specifies the date by which the community association must receive a ballot for the ballot to be counted; or

(2) at a meeting of the property owners in the subdivision.

(b) The community association shall provide for mailing to each owner, as applicable:

(1) the ballot under Subsection (a)(1); or

(2) notice of the meeting under Subsection (a)(2) that states the purpose of the meeting.

(c) In conjunction with a vote by ballot or at a meeting under Subsection (a), the community association may provide for circulation of a petition in the subdivision.

(d) The vote of multiple owners of a property may be reflected by the signature or vote of one of the owners.

(e) The community association shall record a copy of the ballot or petition in the real property records in the county in which the subdivision is located prior to submission of the extension to a vote of the owners.

Added by Acts 1997, 75th Leg., ch. 1249, Sec. 1, eff. Sept. 1, 1997.