PROPERTY CODE

TITLE 7. CONDOMINIUMS

CHAPTER 82. UNIFORM CONDOMINIUM ACT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 82.001. SHORT TITLE. This chapter may be cited as the Uniform Condominium Act.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.002. APPLICABILITY. (a) This chapter applies to all commercial, industrial, residential, and other types of condominiums in this state for which the declaration is recorded on or after January 1, 1994. A condominium for which the declaration was recorded before January 1, 1994, may be governed exclusively under this chapter if either:

(1) the owners of units vote to amend the declaration, in accordance with the amendment process authorized by the declaration, to have this chapter apply and that amendment is filed for record in the condominium records in each county in which the condominium is located; or

(2) a declaration or amendment of declaration was recorded before January 1, 1994, and the declaration or amendment states that this chapter will apply in its entirety on January 1, 1994.

(b) An amendment to a declaration under Subsection (a)(1) that implements a vote of the unit owners to be governed by this chapter may not affect the rights of a declarant or impose duties on a declarant that are greater than or in addition to the declarant's duties immediately before the date of the vote or amendment.

(c) This section and the following sections apply to a condominium in this state for which the declaration was recorded before January 1, 1994: Sections 82.005, 82.006, 82.007, 82.053, 82.054, 82.102(a)(1)-(7), (a)(12)-(21), (f), and (g), 82.108, 82.111, 82.113, 82.114, 82.116, 82.118, 82.157, and 82.161. The definitions prescribed by Section 82.003 apply to a condominium in this state for which the declaration was recorded before January 1,

1994, to the extent the definitions do not conflict with the declaration. The sections listed in this subsection apply only with respect to events and circumstances occurring on or after January 1, 1994, and do not invalidate existing provisions of the declaration, bylaws, or plats or plans of a condominium for which the declaration was recorded before January 1, 1994.

(c-1) Section 82.121 applies to a condominium for which the declaration was recorded before January 1, 1994.

(d) Chapter 81 does not apply to a condominium for which the declaration was recorded on or after January 1, 1994, and does not invalidate any amendment to the declaration, bylaws, or plats and plans of any condominium for which the declaration was recorded before January 1, 1994, if the amendment would be permitted by this chapter. The amendment must be adopted in conformity with the procedures and requirements specified by those instruments and by Chapter 81. If the amendment grants to a person a right, power, or privilege permitted by this chapter, all correlative obligations, liabilities, and restrictions prescribed by this chapter also apply to that person.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.
Amended by Acts 1997, 75th Leg., ch. 956, Sec. 1, eff. Jan. 1, 1998.
Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1323 (H.B. 3128), Sec. 1, eff. September 1, 2009.

Acts 2013, 83rd Leg., R.S., Ch. 678 (H.B. 2075), Sec. 1, eff. September 1, 2013.

Acts 2019, 86th Leg., R.S., Ch. 39 (H.B. 302), Sec. 4, eff. September 1, 2019.

Sec. 82.003. DEFINITIONS. (a) In this chapter:

(1) "Affiliate of a declarant" means any person who controls, is controlled by, or is under common control with a declarant. A person "controls" a declarant if the person is a general partner, officer, director, or employer of the declarant; directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, holds with power to vote or holds proxies representing more than 20

percent of the voting interests in the declarant; determines in any manner the election of a majority of the directors of the declarant; or has contributed more than 20 percent of the capital of the declarant. A person "is controlled by" a declarant if the declarant is a general partner, officer, director, or employer of the person; directly or indirectly or acting in concert with one or more other persons, or through one or more subsidiaries, owns, controls, holds with power to vote, or holds proxies representing more than 20 percent of the voting interests in the person; determines in any manner the election of a majority of the directors of the person; or has contributed more than 20 percent of the capital of the person.

(2) "Allocated interests" means the undivided interest in the common elements, the common expense liability, and votes in the association allocated to each unit.

(3) "Association" means the unit owners' association organized under Section 82.101.

(4) "Board" means the board of directors or the body, regardless of name, designated to act on behalf of the association.

(5) "Common elements" means all portions of a condominium other than the units and includes both general and limited common elements.

(6) "Common expense liability" means the liability for common expenses allocated to each unit.

(7) "Common expenses" means expenditures made by or financial liabilities of the association, together with any allocations to reserves.

(8) "Condominium" means a form of real property with portions of the real property designated for separate ownership or occupancy, and the remainder of the real property designated for common ownership or occupancy solely by the owners of those portions. Real property is a condominium only if one or more of the common elements are directly owned in undivided interests by the unit owners. Real property is not a condominium if all of the common elements are owned by a legal entity separate from the unit owners, such as a corporation, even if the separate legal entity is owned by the unit owners.

(9) "Conversion building" means a building that at any time before creation of the condominium was occupied wholly or partially by persons other than purchasers and persons who occupy with the consent of purchasers.

(10) "Declarant" means a person, or group of persons acting in concert, who:

(A) as part of a common promotional plan, offers to dispose of the person's interest in a unit not previously disposed of; or

(B) reserves or succeeds to any special declarant right.

(11) "Declaration" means an instrument, however denominated, that creates a condominium, and any amendment to that instrument.

(11-a) "Dedicatory instrument" means each document governing the establishment, maintenance, or operation of a condominium regime. The term includes a declaration or similar instrument subjecting real property to:

(A) restrictive covenants, bylaws, or similar instruments governing the administration or operation of a unit owners' association;

(B) properly adopted rules and regulations of the unit owners' association; or

(C) all lawful amendments to the covenants, bylaws, instruments, rules, or regulations.

(12) "Development rights" means a right or combination of rights reserved by a declarant in the declaration to:

(A) add real property to a condominium;

(B) create units, common elements, or limited common elements within a condominium;

(C) subdivide units or convert units into common elements; or

(D) withdraw real property from a condominium.

(13) "Disposition" means a voluntary transfer to a purchaser of any legal or equitable interest in a unit but does not include the transfer or release of a security interest.

(14) "General common elements" means common elements

that are not limited common elements.

(15) "Identifying number" means a symbol or address that identifies only one unit in a condominium.

(16) "Leasehold condominium" means a condominium in which all or a portion of the real property is subject to a lease the expiration or termination of which will terminate the condominium or reduce its size.

(17) "Limited common element" means a portion of the common elements allocated by the declaration or by operation of Section 82.052 for the exclusive use of one or more but less than all of the units.

(17-a) "Management company" means a person or entity established or contracted to provide management or administrative services on behalf of a unit owners' association organized under Section 82.101.

(18) "Plan" means a dimensional drawing that is recordable in the real property records or the condominium plat records and that horizontally and vertically identifies or describes units and common elements that are contained in buildings.

(19) "Plat" means a survey recordable in the real property records or the condominium plat records and containing the information required by Section 82.059. As used in this chapter, "plat" does not have the same meaning as "plat" in Chapter 212 or 232, Local Government Code, or other statutes dealing with municipal or county regulation of property development.

(20) "Purchaser" means a person, other than a declarant, who by means of a voluntary transfer acquires a legal or equitable interest in a unit other than a leasehold interest or as security for an obligation.

(21) "Residential purposes" means recreational or dwelling purposes, or both.

(22) "Special declarant rights" means rights reserved for the benefit of a declarant to:

(A) complete improvements indicated on plats and plans filed with the declaration;

(B) exercise any development right;

(C) make the condominium part of a larger condominium or a planned community;

(D) maintain sales, management, and leasing offices, signs advertising the condominium, and models;

(E) use easements through the common elements for the purpose of making improvements within the condominium or within real property that may be added to the condominium; or

(F) appoint or remove any officer or board member of the association during any period of declarant control.

(23) "Unit" means a physical portion of the condominium designated for separate ownership or occupancy, the boundaries of which are described by the declaration.

(24) "Unit owner" means a declarant or other person who owns a unit, or a lessee of a unit in a leasehold condominium whose lease expires simultaneously with any lease the expiration or termination of which will remove the unit from the condominium, but does not include a person having an interest in a unit solely as security for an obligation.

(b) Unless otherwise provided by the declaration or bylaws, a term defined by Subsection (a) has the same meaning if used in a declaration or bylaws.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 678 (H.B. 2075), Sec. 2, eff. September 1, 2013.

Acts 2025, 89th Leg., R.S., Ch. 10 (S.B. 711), Sec. 1, eff. September 1, 2025.

Sec. 82.004. VARIATION BY AGREEMENT. Except as expressly provided by this chapter, provisions of this chapter may not be varied by agreement, and rights conferred by this chapter may not be waived. A person may not act under a power of attorney or use any other device to evade the limitations or prohibitions of this chapter or the declaration.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.005. SEPARATE TITLES AND TAXATION. (a) If there is

a unit owner other than a declarant, each unit that has been created, together with its interest in the common elements, constitutes for all purposes a separate parcel of real property.

(b) If there is a unit owner other than a declarant, each unit must be separately taxed and assessed, and no separate tax or assessment may be rendered against common elements for which a declarant has not reserved development rights. Any portion of the common elements for which a declarant has reserved any development right must be separately taxed and assessed against the declarant, and the declarant alone is liable for payment of those taxes.

(c) If there is no unit owner other than a declarant, the real property constituting the condominium may be taxed and assessed in any manner provided by law.

(d) The laws relating to homestead exemptions from property taxes apply to condominium units, which are entitled to homestead exemptions in those cases in which the owner of a single family dwelling would qualify.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.006. APPLICABILITY OF LOCAL ORDINANCES, REGULATIONS, AND BUILDING CODES. A zoning, subdivision, building code, or other real property use law, ordinance, or regulation may not prohibit the condominium form of ownership or impose any requirement on a condominium that it would not impose on a physically identical development under a different form of ownership. Otherwise, this chapter does not invalidate or modify any provision of any zoning, subdivision, building code, or other real property use law, ordinance, or regulation.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.007. CONDEMNATION. (a) If a unit is acquired by condemnation, or if part of a unit is acquired by condemnation leaving the unit owner with a remnant that may not practically or lawfully be used for any purpose permitted by the declaration, the condemnation award must compensate the unit owner for the unit and its common element interest, whether or not any common element interest is acquired. On acquisition, unless the decree provides

otherwise, the condemned unit's entire allocated interests are automatically reallocated to the remaining units in proportion to the respective allocated interests of those units before the taking, and the association shall promptly prepare, execute, and record an amendment to the declaration reflecting the reallocations. A remnant of a unit remaining after part of a unit is taken under this subsection is a common element.

(b) Except as provided by Subsection (a), if part of a unit is acquired by condemnation, the award must compensate the unit owner for the reduction in value of the unit and its common element interest. On acquisition, the condemned unit's allocated interests are reduced in proportion to the reduction in the size of the unit, or on any other basis specified by the declaration, and the portion of the allocated interests divested from the partially acquired unit are automatically reallocated to that unit and the remaining units in proportion to the respective allocated interests of those units before the taking, with the partially acquired unit participating in the reallocation on the basis of its reduced allocated interests.

(c) If part of the common elements is acquired by condemnation, the award must be paid to the association, as trustee for the unit owners, and to persons holding liens on the condemned property, as their interests may appear. The association shall divide any portion of the award not used for any restoration or repair of the remaining common elements among the unit owners in proportion to their respective common element interests before the taking, but the portion of the award attributable to the acquisition of a limited common element must be equally divided among the owners of the units to which that limited common element was allocated at the time of acquisition, or in any manner the declaration provides.

(d) The court decree shall be recorded in each county in which any portion of the condominium is located.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.008. VENUE. Venue for an action to enforce a right or obligation arising under the declaration, bylaws, or rules of

the association is in each county in which any part of the condominium is located.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

SUBCHAPTER B. CREATION, ALTERATION, AND TERMINATION OF CONDOMINIUMS

Sec. 82.051. CREATION OF CONDOMINIUM. (a) A condominium may be created under this chapter only by recording a declaration executed in the same manner as a deed by all persons who have an interest in the real property that will be conveyed to unit owners and by every lessor of a lease the expiration or termination of which will terminate the condominium or reduce its size. The declaration shall be recorded in each county in which any portion of the condominium is located.

(b) A declarant may not convey an interest in a unit until each holder of a mortgage on the unit immediately before conveyance has executed a consent to declaration, and the consent has been recorded, or is recorded concurrently with the conveyance, as part of the declaration or an amendment to the declaration.

(c) If a recorded declaration is not properly executed, that defect may be cured by a subsequent execution conforming to Subsection (a). After an execution defect is cured by authority of this subsection, the declaration is retroactively effective on the date it was first recorded.

(d) A county clerk shall, without prior approval from any other authority, record declarations and amendments to declarations in the real property records and record condominium plats or plans in the real property records or in books maintained for that purpose. If a county clerk maintains a book for the condominium plat records, the book shall be the same size and type as the book for recording subdivision plats.

(e) This chapter does not affect or diminish the rights of municipalities and counties to approve plats of subdivisions and enforce building codes as may be authorized or required by law.

(f) A person may not file for record or have recorded in the county clerk's office a plat, replat, or amended plat or replat of a

condominium unless the plat, replat, or amended plat or replat has attached to it an original tax certificate from each taxing unit with jurisdiction of the real property indicating that no delinquent ad valorem taxes are owed on the real property. If the tax certificate for a taxing unit does not cover the preceding year, the plat, replat, or amended plat or replat must also have attached to it a tax receipt issued by the collector for the taxing unit indicating that the taxes imposed by the taxing unit for the preceding year have been paid. This subsection does not apply if a taxing unit acquired the condominium for public use through eminent domain proceedings or voluntary sale.

(g) This chapter does not permit development of a subdivision golf course, as defined by Section 212.0155(b), Local Government Code, without a plat if the plat is otherwise required by applicable law. A municipality may require as a condition to the development of a previously platted or unplatted subdivision golf course that the subdivision golf course be platted or replatted.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 289 (H.B. 989), Sec. 2, eff. September 1, 2007.

Acts 2007, 80th Leg., R.S., Ch. 1092 (H.B. 3232), Sec. 2, eff. June 15, 2007.

Acts 2009, 81st Leg., R.S., Ch. 87 (S.B. 1969), Sec. 27.001(77), eff. September 1, 2009.

Acts 2025, 89th Leg., R.S., Ch. 574 (H.B. 2025), Sec. 2, eff. September 1, 2025.

Sec. 82.052. UNIT BOUNDARIES. Except as otherwise provided by the declaration or plat:

(1) if walls, floors, or ceilings are designated as boundaries of a unit, then all lath, furring, wallboard, plasterboard, plaster, paneling, tiles, wallpaper, paint, finished flooring, and any other materials constituting part of the finished surfaces are a part of the unit, and all other portions of the walls, floors, or ceilings are a part of the common elements;

(2) if any chute, flue, duct, wire, conduit, bearing

wall, bearing column, or any other fixture is partially within and partially outside the designated boundaries of a unit, then the portion serving only that unit is a limited common element allocated solely to that unit, and the portion serving more than one unit or the common elements is a part of the general common elements;

(3) subject to Subdivision (2), the spaces, interior partitions, and other fixtures and improvements within the boundaries of a unit are a part of the unit; and

(4) shutters, awnings, window boxes, doorsteps, stoops, porches, balconies, patios, and exterior doors and windows or other fixtures designed to serve a single unit, but located outside the unit's boundaries, are limited common elements allocated exclusively to that unit.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.053. CONSTRUCTION AND VALIDITY OF DECLARATION AND BYLAWS. (a) The provisions of the declaration and bylaws are severable.

(b) The rule against perpetuities may not be applied to defeat any provision of the declaration, bylaws, or rules of the association.

(c) If there is a conflict between the provisions of the declaration and the bylaws, the declaration prevails except to the extent the declaration is inconsistent with this chapter.

(d) Title to a unit and common elements is not made unmarketable or otherwise affected by a provision of unrecorded bylaws or by reason of an insubstantial failure of the declaration to comply with this chapter. Whether a substantial failure impairs marketability is not affected by this chapter.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.054. DESCRIPTION OF UNITS. A description of a unit is a sufficient legal description of the unit and all rights, obligations, and interests appurtenant to the unit that were created by the declaration or bylaws if the description contains:

(1) the name of the condominium;

(2) the recording data for the declaration, including any amendments, plats, and plans;

(3) the county in which the condominium is located; and

(4) the identifying number of the unit.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.055. CONTENTS OF DECLARATION FOR ALL CONDOMINIUMS. The declaration for a condominium must contain:

(1) the name of the condominium, which must include the word "condominium" or be followed by the words "a condominium" or a phrase that includes the word "condominium," and the name of the association;

(2) the name of each county in which any part of the condominium is located;

(3) a legally sufficient description of the real property included in the condominium;

(4) a description of the boundaries of each unit created by the declaration, including the unit's identifying number;

(5) a statement of the maximum number of units that the declarant reserves the right to create;

(6) a description of the limited common elements other than those listed in Sections 82.052(2) and (4);

(7) a description of any real property, except real property subject to development rights, that may be allocated subsequently as limited common elements, together with a statement that the property may be so allocated;

(8) an allocation to each unit of its allocated interests;

(9) any restrictions on use, occupancy, or alienation of the units;

(10) a description of and the recording data for recorded easements and licenses appurtenant to or included in the condominium or to which any portion of the condominium is or may become subject by reservation in the declaration;

(11) the method of amending the declaration;

(12) a plat or plan or the recording data of a plat or plan that has been recorded in the real property or condominium plat records;

(13) a statement of the association's obligation under Section 82.111(i) to rebuild or repair any part of the condominium after a casualty or any other disposition of the proceeds of a casualty insurance policy;

(14) a description of any development rights and other special declarant rights reserved by the declarant, together with a legally sufficient description of the real property to which each of those rights applies, and a time limit within which each of those rights must be exercised;

(15) if any development right may be exercised with respect to different parcels of real property at different times, a statement to that effect, together with:

(A) either a statement fixing the boundaries of those portions and regulating the order in which those portions may be subjected to the exercise of each development right, or a statement that no assurances are made in those regards; and

(B) a statement as to whether, if any development right is exercised in any portion of the real property subject to that development right, that development right must be exercised in all or in any other portion of the remainder of that real property;

(16) all matters required by this chapter to be stated in the declaration; and

(17) any other matters the declarant considers appropriate.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.056. LEASEHOLD CONDOMINIUMS. (a) Any lease the expiration or termination of which may terminate the condominium or reduce its size must be recorded. The lessor shall sign the declaration, and the declaration must state:

(1) the recording data for the lease;

(2) the date on which the lease is scheduled to expire;

(3) a legally sufficient description of the real property subject to the lease;

(4) any right of the unit owners to redeem the reversion and the manner in which the unit owners may exercise that right, or a statement that the unit owners do not have that right;

(5) any right of the unit owners to remove improvements within a reasonable time after the expiration or termination of the lease, or a statement that the unit owners do not have that right; and

(6) any right of the unit owners to renew the lease and the conditions of renewal, or a statement that the unit owners do not have that right.

(b) After the declaration for a leasehold condominium is recorded, neither the lessor nor the lessor's successor in interest may terminate the leasehold interest of a unit owner who makes timely payment of the unit owner's share of the rent and otherwise complies with all covenants that, if violated, would entitle the lessor to terminate the lease. A unit owner's leasehold interest is not affected by failure of any other person to pay rent or fulfill any other covenant.

(c) Acquisition of the leasehold interest of a unit owner by the owner of the reversion or remainder does not merge the leasehold and fee simple interests unless the leasehold interests of all unit owners subject to that reversion or remainder are acquired.

(d) If the expiration or termination of a lease decreases the number of units in a condominium, the allocated interests shall be reallocated as though those units had been taken by condemnation unless otherwise provided by the declaration. Reallocation shall be confirmed by an amendment to the declaration prepared, executed, and recorded by the association.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.057. ALLOCATION OF COMMON ELEMENT INTERESTS, VOTES, AND COMMON EXPENSE LIABILITIES. (a) The declaration shall allocate a fraction or percentage of undivided interests in the common elements and in the common expenses of the association, and a portion of the votes in the association, to each unit and state the formulas used to establish those allocations. These allocations may not discriminate in favor of units owned by a declarant.

(b) If units may be added to or withdrawn from the condominium, the declaration must state the formulas to be used to reallocate the allocated interests among all units included in the condominium after the addition or withdrawal.

(c) The declaration may provide:

(1) that different allocations of votes must be made to the units on particular matters specified in the declaration; and

(2) for class voting on specified issues affecting the class if necessary to protect valid interests of the class.

(d) A declarant may not use cumulative or class voting to evade any limitation imposed on declarants by this chapter. Units may not constitute a class because the units are owned by a declarant.

(e) Except for minor variations due to rounding, the sums of the undivided interests in the common elements and of the common expense liabilities allocated at any time to all the units shall each equal one if stated as fractions or 100 percent if stated as percentages. If a discrepancy exists between an allocated interest and the result derived from application of the pertinent formula, the allocated interest prevails.

(f) The common elements are not subject to partition. Any purported conveyance, judicial sale, or other voluntary or involuntary transfer of an undivided interest in the common elements without the unit to which that interest is allocated is void.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.058. LIMITED COMMON ELEMENTS. (a) The limited common elements and the provisions of the declaration relating to the right to use the limited common elements may not be altered without the consent of each affected unit owner and the owner's first lien mortgagee.

(b) Except as otherwise provided by the declaration, a limited common element may be reallocated by an amendment to the declaration, executed by the unit owners between or among whose units the reallocation is made. The persons executing the

amendment shall deliver it to the association, which shall record it at the expense of the reallocating unit owners.

(c) A common element not previously allocated as a limited common element may not be allocated except pursuant to the declaration made in accordance with Section 82.055(7). The allocation shall be made by amendment to the declaration.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.059. PLATS AND PLANS. (a) Plats and plans are a part of the declaration and may be recorded as a part of the declaration or separately. Each plat or plan must be legible and contain a certification that the plat or plan contains all information required by this section.

(b) Each plat must show:

(1) the name and a survey or general schematic map of the entire condominium;

(2) the location and dimensions of all real property not subject to development rights, or subject only to the development right to withdraw, and the location and dimensions of all existing improvements within that real property;

(3) a legally sufficient description of any real property subject to development rights, labeled to identify the rights applicable to each parcel;

(4) the extent of any encroachments by or on any portion of the condominium;

(5) to the extent feasible, a legally sufficient description of all easements serving or burdening any portion of the condominium, and the location of any underground utility line that is actually known by the declarant at the time of filing the declaration to have been constructed outside a recorded easement;

(6) the location and dimensions of any vertical unit boundaries not shown or projected on recorded plans and the unit's identifying number;

(7) the location of horizontal unit boundaries, if any, with reference to established data, unless described in the declaration or shown or projected on recorded plans, and the unit's identifying number;

(8) a legally sufficient description of any real property in which the unit owners will own only an estate for years, labeled as "leasehold real property";

(9) the distance between noncontiguous parcels of real property constituting the condominium;

(10) the location and dimensions of limited common elements, other than those described by Sections 82.052(2) and (4);

(11) in the case of real property not subject to development rights, all other matters required by law on land surveys; and

(12) the distance and bearings locating each building from all other buildings and from at least one boundary line of the real property constituting the condominium.

(c) A plat may also show the intended location and dimensions of a contemplated improvement to be constructed anywhere within the condominium, which must be labeled either "MUST BE BUILT" or "NEED NOT BE BUILT."

(d) To the extent not shown on the plats, plans must show:

(1) the location and dimensions of the vertical boundaries of each unit, and the unit's identifying number;

(2) the horizontal unit boundaries, if any, with reference to established data, unless described in the declaration, and the unit's identifying number; and

(3) any units, appropriately identified, in which the declarant has reserved the right to create additional units or common elements.

(e) Unless the declaration provides otherwise, the horizontal boundaries of part of a unit located outside a building have the same elevation as the horizontal boundaries of the inside part and need not be depicted on the plats and plans. Interior walls and partitions within a unit need not be included in the plats or plans.

(f) On exercising any development right, the declarant shall record either new plats and plans necessary to conform to the requirements of this section or new certifications of plats and plans previously recorded if those plats and plans otherwise conform to the requirements of this section.

(g) An independent licensed surveyor or engineer shall certify at least one plat, whether contained in one or more pages, showing all perimeter land boundaries of the condominium, except for additional real property, and showing the locations on the ground of all buildings labeled "MUST BE BUILT" in relation to land boundaries. Certification of any other plat or plan required by this chapter shall be made by an independent licensed architect, surveyor, or engineer.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 826 (H.B. 2569), Sec. 1, eff. September 1, 2019.

Sec. 82.060. EXERCISE OF DEVELOPMENT RIGHT. (a) To exercise a development right, the declarant must prepare, execute, and record an amendment to the declaration and record new plats and plans for that real property. The declarant is the unit owner of any units created. The amendment to the declaration must assign an identifying number to each new unit created and, except for subdivision or conversion of units described by Subsection (b), reallocate the allocated interest among all units. The amendment must describe any limited common elements created, designating the unit to which each is allocated.

(b) Development rights may be reserved within any real property added to the condominium if the amendment adding the real property includes the information required by Section 82.055 or 82.056, as appropriate, and the plats and plans include the information required by Section 82.059(b). This provision does not extend the time limit on the exercise of development rights imposed by the declaration. Real property to be added is not part of a condominium or subject to a declaration until the declaration is amended to make the additional real property part of the condominium.

(c) Whenever a declarant exercises a development right to subdivide or convert a unit previously created into additional units, common elements, or both:

(1) if the declarant converts the unit entirely to

common elements, the amendment to the declaration must reallocate all the allocated interests of the unit among the other units as if the unit had been taken by condemnation; and

(2) if the declarant subdivides the unit into two or more units, whether or not any part of the unit is converted into common elements, the amendment to the declaration must reallocate all the allocated interests of the unit among the units created by the subdivision in any reasonable manner prescribed by the declarant.

(d) If the declaration provides that all or a portion of the real property is subject to the development right of withdrawal:

(1) if all the real property is subject to withdrawal, and the declaration does not describe separate portions of real property subject to that right, none of the real property may be withdrawn after a unit has been conveyed to a purchaser; and

(2) if a portion or portions are subject to withdrawal, no portion may be withdrawn after a unit in that portion has been conveyed to a purchaser.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.061. ALTERATIONS OF UNITS. (a) Subject to the provisions of the declaration and other provisions of law, a unit owner:

(1) may make improvements or alterations to the owner's unit that do not impair the structural integrity or mechanical systems or lessen the support of any portion of the condominium;

(2) may not change the appearance of the common elements or the exterior appearance of a unit or any other portion of the condominium without prior written permission of the association; and

(3) after acquiring an adjoining unit or an adjoining part of an adjoining unit, with the prior written approval of the association, may remove, alter, and create apertures in an intervening partition, even if the partition in whole or in part is a common element, if those acts do not impair the structural integrity or mechanical systems or lessen the support of any

portion of the condominium.

(b) Removal of partitions or creation of apertures under Subsection (a)(3) is not an alteration of boundaries.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.062. RELOCATION OF BOUNDARIES BETWEEN ADJOINING UNITS. Subject to the declaration, the boundaries between adjoining units may be relocated by an amendment to the declaration on written application to the association by the owners of those units. If the owners of the adjoining units have specified a reallocation between their units of their allocated interests, the application must state the proposed reallocations. Unless the board determines not later than the 30th day after the date the application is received that the reallocation is unreasonable, the association shall prepare an amendment that identifies the units involved, states the reallocation, is executed by the applying unit owners, and contains words of conveyance between them. At the expense of the applying unit owners, the association shall prepare and record the amendment and plats or plans necessary to show the altered boundaries between adjoining units, and the units' dimensions and identifying numbers.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.063. SUBDIVISION OF UNITS. (a) If the declaration expressly permits, a unit may be subdivided into two or more units. Subject to the declaration, on written application of a unit owner to subdivide a unit and after payment by the unit owner of the cost of preparing and recording amendments and plats, the association shall prepare, execute, and record an amendment to the declaration, including the plats and plans, subdividing the unit.

(b) The amendment to the declaration must be executed by the owner of the unit to be subdivided, assign an identifying number to each unit created, and reallocate the allocated interests formerly allocated to the subdivided unit to the new units in any reasonable manner prescribed by the owner of the subdivided unit.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.064. EASEMENT FOR ENCROACHMENTS. To the extent that a unit or common element encroaches on another unit or common element, a valid easement for the encroachment exists. The easement does not relieve a unit owner of liability in case of the owner's wilful misconduct nor relieve a declarant or any other person of liability for failure to adhere to the plats and plans.
Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.065. USE FOR SALES PURPOSES. The declaration may permit a declarant to maintain sales, leasing, or management offices and models in units or on common elements in the condominium if the declaration specifies the rights of a declarant with regard to the number, size, location, and relocation of the offices and models. If the declaration fails to expressly permit an office or model, a declarant may maintain no more than one unit as a model and no more than one unit as an office for sales, leasing, and management purposes at any one time. A sales, leasing, or management office or model not designated as a unit by the declaration is a common element and is subject to the exclusive use of a declarant until the declarant ceases to be a unit owner or until the declarant no longer uses the office or model for such purposes, whichever occurs earlier. A declarant may modify the exterior of a sales, leasing, or management office to conform to the aesthetic exterior plan of the condominium. A declarant who ceases to be a unit owner ceases to have any rights with regard to an office or model unless it is removed within a reasonable time from the condominium in accordance with a right to remove reserved in the declaration. Subject to limitations in the declaration, a declarant may maintain signs on the common elements that advertise the condominium for sale or lease. This section is subject to local ordinances and other state law.
Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.066. EASEMENT RIGHTS. Subject to the declaration, a declarant has an easement through the common elements as may be reasonably necessary for discharging the declarant's obligations or exercising special declarant rights whether arising under this

chapter or reserved by the declaration.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.067. AMENDMENT OF DECLARATION. (a) Except as provided by Subsection (b), a declaration, including the plats and plans, may be amended only by vote or agreement of unit owners to which at least 67 percent of the votes in the association are allocated, or any larger majority the declaration specifies. A declaration may specify a smaller number only if all of the units are restricted exclusively to nonresidential use. An amendment to a declaration may be adopted:

(1) by written ballot that states the exact wording or substance of the amendment and that specifies the date by which a ballot must be received to be counted;

(2) at a meeting of the members of the association after written notice of the meeting has been delivered to an owner of each unit stating that a purpose of the meeting is to consider an amendment to the declaration; or

(3) by any method permitted by the declaration.

(b) The amendment procedures of this section do not apply to amendments that may be executed by:

(1) a declarant under Section 82.051(c), 82.059(f), or 82.060 or Subsection (f);

(2) the association under Section 82.007, 82.056(d), 82.058(c), 82.062, or 82.063 or Subsection (f); or

(3) certain unit owners under Section 82.058(b), 82.062, 82.063(b), or 82.068(b).

(c) An action to challenge the validity of an amendment adopted by the association under this section must be brought before the first anniversary of the date the amendment is recorded.

(d) To be effective, an amendment to the declaration must be recorded in each county in which any portion of the condominium is located.

(e) Except as permitted or required by this chapter, an amendment may not create or increase special declarant rights, increase the number of units, change the boundaries of a unit, alter or destroy a unit or limited common element, change a unit's

allocated interest, or change the use restrictions on a unit unless the amendment is approved by 100 percent of the votes in the association. Except as agreed to by the declarant, an amendment may not increase or otherwise modify the obligations imposed by a declaration on a declarant, or reduce or otherwise modify the rights granted by a declaration to a declarant, including special declarant rights.

(f) If permitted by the declaration, the board or the declarant, if the declarant owns a unit that has never been occupied, may without a vote of the unit owners or approval of the association amend the declaration in any manner necessary to meet the requirements of the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Housing Administration, or the Veterans Administration.

(g) Amendments to the declaration required by this chapter to be recorded by the association must be prepared, executed, recorded, and certified by an officer of the association designated for that purpose or, in the absence of designation, by the president of the association.

(h) An association may amend the declaration to authorize the board:

(1) to bring an action to evict a tenant of a unit owner for the tenant's violation of the declaration, bylaws, or rules of the association;

(2) to bring an action to evict a tenant of a unit owner who fails to pay the association for the cost of repairs to common elements damaged substantially by the owner's tenant; or

(3) to collect rents from a tenant of a unit owner who is at least 60 days' delinquent in the payment of any amount due to the association.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.0675. RESTRICTION RELATING TO CLUB MEMBERSHIP. (a) A provision of a declaration or recorded contract that requires owners of units in a condominium to maintain a membership in a specified private club is not valid after the 10th anniversary of the date the provision is recorded or renewed unless renewed after

the ninth anniversary of that date in the manner provided by the declaration or recorded contract for amending the declaration or recorded contract and the text of the renewed provision is filed in the real property records of each county in which the condominium is located.

(b) A provision described by this section may not be enacted or renewed as a bylaw by the unit owners' association.

Added by Acts 2003, 78th Leg., ch. 1101, Sec. 2, eff. Sept. 1, 2003.

Sec. 82.068. TERMINATION OF CONDOMINIUM. (a) Unless the declaration provides otherwise and except for a taking of all the units by condemnation, a condominium may be terminated only by the agreement of 100 percent of the votes in the association and each holder of a deed of trust or vendor's lien on a unit. The declaration may not allow a termination by less than 80 percent of the votes in the association if any unit is restricted exclusively to residential uses.

(b) An agreement of unit owners to terminate a condominium must be evidenced by the execution or ratification of a termination agreement by the requisite number of unit owners. If, pursuant to a termination agreement, the real property constituting the condominium is to be sold following termination, the termination agreement must set forth the terms of the sale. To be effective, a termination agreement and all ratifications of the agreement must be recorded in each county in which a portion of the condominium is located.

(c) The association, on behalf of the unit owners, may contract for the sale of real property in the condominium, but the contract is not binding on the unit owners until it is approved under Subsections (a) and (b). If the real property constituting the condominium is to be sold following termination, on termination title to that real property vests in the association as trustee for the holders of all interests in the units, and the association has all powers necessary and appropriate to effect the sale, including the power to convey the interests of nonconsenting owners. Until the sale has been concluded and the proceeds distributed, the association shall continue to exist and retains the powers it had

before termination. Proceeds of the sale must be distributed to unit owners and lienholders as their interests may appear, in proportion to the respective interests of unit owners as provided by Subsection (f). Unless the termination agreement specifies differently, as long as the association holds title to the real property, each unit owner and the owner's successors in interest have an exclusive right to occupy the portion of the real property that formerly constituted the owner's unit. During that period of occupancy a unit owner and the owner's successors in interest remain liable for all assessments and other obligations imposed on unit owners by this chapter or the declaration.

(d) If the real property constituting the condominium is not to be sold following termination, on termination title to the real property vests in the unit owners as tenants in common in proportion to their respective interests, and liens on the units shift accordingly. While the tenancy in common exists, a unit owner and the owner's successors in interest have an exclusive right to occupy the portion of the real property that formerly constituted the owner's unit.

(e) Following termination of the condominium, and after payment of or provision for the claims of the association's creditors, the assets of the association shall be distributed to unit owners in proportion to their respective interests. The proceeds of sale described by Subsection (c) and held by the association as trustee are not assets of the association.

(f) The interest of a unit owner referred to in Subsections (c), (d), and (e) is, except as provided by Subsection (g), the fair market value of the owner's unit, limited common elements, and common element interest immediately before the termination, as determined by one or more independent appraisers selected by the association. The decision of the independent appraisers shall be distributed to the unit owners and becomes final unless disapproved by unit owners of units to which 25 percent of the votes in the association are allocated not later than the 30th day after the date of distribution. The proportion of a unit owner's interest to that of all unit owners is determined by dividing the fair market value of the unit owner's unit and common element interest by the total

fair market values of all the units and common elements.

(g) If a unit or a limited common element is destroyed to the extent that an appraisal of the fair market value before the destruction cannot be made, the interest of a unit owner is the owner's common element interest immediately before the termination.

(h) Foreclosure or enforcement of a lien or encumbrance against the entire condominium does not of itself terminate the condominium, and foreclosure or enforcement of a lien or encumbrance against a portion of the condominium does not withdraw that portion from the condominium, unless the portion is withdrawable real property or unless the mortgage being foreclosed was recorded before the date the declaration was recorded and the mortgagee did not consent in writing to the declaration.

(i) By agreement of the same percentage of unit owners that is required to terminate the condominium, the unit owners may rescind a termination agreement and reinstate the declaration in effect immediately before the election to terminate. To be effective, the rescission agreement must be in writing, executed by the unit owners who desire to rescind, and recorded in each county in which any portion of the condominium is located.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.069. RIGHTS OF SECURED LENDERS. The declaration may require that all or a specified number or percentage of the mortgagees or beneficiaries of deeds of trust encumbering the units approve specified actions of the unit owners or the association as a condition to the effectiveness of those actions, but a requirement for approval may not operate to:

(1) deny or delegate control over the general administrative affairs of the association by the unit owners or the board; or

(2) prevent the association or the board from:

(A) commencing, intervening in, or settling any litigation or proceeding; or

(B) receiving and distributing insurance proceeds under Section 82.111.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.070. MEETING AT WHICH AMENDMENTS MAY BE ADOPTED. (a) An association or a board may not meet to adopt an amendment or other change to the declaration, articles of incorporation, bylaws, or rules of the association unless the association or board has given to each unit owner a document showing the specific amendment or other change that would be made to the declaration, articles of incorporation, bylaws, or rules.

(b) The information described by Subsection (a) must be given to each unit owner after the 20th day but before the 10th day preceding the date of the meeting. The information is considered to have been given to a unit owner on the date the information is personally delivered to the unit owner, as shown by a receipt signed by the unit owner, or on the date shown by the postmark on the information after it is deposited in the United States mail with a proper address and postage paid.

Added by Acts 1997, 75th Leg., ch. 956, Sec. 2, eff. Jan. 1, 1998.

SUBCHAPTER C. CONDOMINIUM MANAGEMENT

Sec. 82.101. ORGANIZATION OF UNIT OWNERS' ASSOCIATION. A unit owners' association must be organized as a profit or nonprofit corporation. The declarant may not convey a unit until the secretary of state has issued a certificate of formation under the Texas Corporation Law. The membership of the association at all times consists exclusively of all the unit owners or, following termination of the condominium, all former unit owners entitled to distribution of proceeds, or the owners' heirs, successors, or assigns.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Amended by:

Acts 2025, 89th Leg., R.S., Ch. 79 (S.B. 2629), Sec. 1, eff. September 1, 2025.

Sec. 82.102. POWERS OF UNIT OWNERS' ASSOCIATION.

(a) Unless otherwise provided by the declaration, the

association, acting through its board, may:

(1) adopt and amend bylaws;

(2) adopt and amend budgets for revenues, expenditures, and reserves, and collect assessments for common expenses from unit owners;

(3) hire and terminate managing agents and other employees, agents, and independent contractors;

(4) institute, defend, intervene in, settle, or compromise litigation or administrative proceedings in its own name on behalf of itself or two or more unit owners on matters affecting the condominium;

(5) make contracts and incur liabilities relating to the operation of the condominium;

(6) regulate the use, maintenance, repair, replacement, modification, and appearance of the condominium;

(7) adopt and amend rules regulating the use, occupancy, leasing or sale, maintenance, repair, modification, and appearance of units and common elements, to the extent the regulated actions affect common elements or other units;

(8) cause additional improvements to be made as a part of the common elements;

(9) acquire, hold, encumber, and convey in its own name any right, title, or interest to real or personal property, except common elements of the condominium;

(10) grant easements, leases, licenses, and concessions through or over the common elements;

(11) impose and receive payments, fees, or charges for the use, rental, or operation of the common elements and for services provided to unit owners;

(12) impose interest and late charges for late payments of assessments, returned check charges, and, if notice and an opportunity to be heard are given in accordance with Subsection (d), reasonable fines for violations of the declaration, bylaws, and rules of the association;

(13) adopt and amend rules regulating the collection of delinquent assessments and the application of payments;

(14) adopt and amend rules regulating the termination

of utility service to a unit, the owner of which is delinquent in the payment of an assessment that is used, in whole or in part, to pay the cost of that utility;

(15) impose reasonable charges for preparing, recording, or copying declaration amendments, resale certificates, or statements of unpaid assessments;

(16) enter a unit for bona fide emergency purposes when conditions present an imminent risk of harm or damage to the common elements, another unit, or the occupants;

(17) suspend the voting privileges of or the use of certain general common elements by an owner delinquent for more than 30 days in the payment of assessments;

(18) purchase insurance and fidelity bonds it considers appropriate or necessary;

(19) exercise any other powers conferred by the declaration or bylaws;

(20) exercise any other powers that may be exercised in this state by a corporation of the same type as the association; and

(21) exercise any other powers necessary and proper for the government and operation of the association.

(b) The declaration may not impose limitations on the power of the association to deal with the declarant that are more restrictive than the limitations imposed on the power of the association to deal with other persons.

(c) To be enforceable, a bylaw or rule of the association must not be arbitrary or capricious.

(d) Before an association may charge the unit owner for property damage for which the unit owner is liable or levy a fine for violation of the declaration, bylaws, or rules, the association shall give to the unit owner a written notice that:

(1) describes the violation or property damage and states the amount of the proposed fine or damage charge;

(2) states that not later than the 30th day after the date of the notice, the unit owner may request a hearing before the board to contest the fine or damage charge; and

(3) allows the unit owner a reasonable time, by a

specified date, to cure the violation and avoid the fine unless the unit owner was given notice and a reasonable opportunity to cure a similar violation within the preceding 12 months.

(e) The association may give a copy of the notice required by Subsection (d) to an occupant of the unit. The association must give notice of a levied fine or damage charge to the unit owner not later than the 30th day after the date of levy.

(f) Except as provided by Subsection (g), the association by resolution of the board of directors may:

(1) borrow money; and

(2) assign as collateral for the loan authorized by the resolution:

(A) the association's right to future income, including the right to receive assessments; and

(B) the association's lien rights.

(g) If a dedicatory instrument requires a vote of members of the association to borrow money or assign the association's right to future income or the association's lien rights, the loan or assignment must be approved as provided by the dedicatory instrument. The board may determine whether a vote for that purpose may be cast electronically, by absentee ballot, in person or by proxy at a meeting called for that purpose, or by written consent. If a lower approval threshold is not provided by the dedicatory instrument, approval requires the consent of owners holding 67 percent of all voting interests.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 678 (H.B. 2075), Sec. 3, eff. September 1, 2013.

Sec. 82.103. BOARD MEMBERS AND OFFICERS. (a) Except as provided by the declaration, bylaws, or this chapter, the board shall act in all instances on behalf of the association if in the good-faith judgment of the board the action is reasonable. Each officer or member of the board is liable as a fiduciary of the unit owners for the officer's or member's acts or omissions. All acts of the association must be by and through the board unless otherwise

provided by the declaration or bylaws or by law.

(b) The board may not act on behalf of the association to amend the declaration except as permitted by this chapter, to terminate the condominium, to elect members of the board, or to determine the qualifications, powers and duties, or terms of office of board members. The board may fill a vacancy in its membership for the unexpired portion of a term.

(c) Subject to Subsection (d), the declaration may provide for a period of declarant control of the association during which a declarant, or persons designated by the declarant, may appoint and remove the officers and members of the board. Regardless of the period provided by the declaration, a period of declarant control terminates not later than the 120th day after conveyance of 75 percent of the units that may be created to unit owners other than a declarant. Transfer of special declarant rights does not terminate the period of declarant control. A declarant may voluntarily surrender the right to appoint and remove officers and members of the board before termination of the period, but in that event the declarant may require, for the duration of the period that the declarant would otherwise control, that specified actions of the association or board be approved by the declarant before they become effective.

(d) Not later than the 120th day after conveyance of 50 percent of the units that may be created to unit owners other than a declarant, not less than one-third of the members of the board must be elected by unit owners other than the declarant.

(e) Not later than the termination of a period of declarant control, the unit owners shall elect a board of at least three members who need not be unit owners. The board shall elect the officers before the 31st day after the date declarant control terminates. The persons elected shall take office on election.

(f) An officer or director of the association is not liable to the association or any unit owner for monetary damages for an act or omission occurring in the person's capacity as an officer or director unless:

(1) the officer or director breached a fiduciary duty to the association or a unit owner;

(2) the officer or director received an improper benefit; or

(3) the act or omission was in bad faith, involved intentional misconduct, or was one for which liability is expressly provided by statute.

(g) Subsection (f) does not diminish a limitation of liability provided an officer or director of the association by the declaration, bylaws, articles of incorporation of the association, or other laws.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.104. TRANSFER OF SPECIAL DECLARANT RIGHTS. (a) Special declarant rights created or reserved under this chapter may not be transferred except by an instrument evidencing the transfer recorded in each county in which any portion of the condominium is located. The instrument is not effective unless executed by the transferee.

(b) On transfer of any special declarant right, a transferor is not relieved of an obligation or liability arising before the transfer. A transferor is not liable for an act or omission or a breach of an obligation arising from the exercise of a special declarant right by a successor declarant who is not an affiliate of the transferor.

(c) Unless otherwise provided by a mortgage instrument or deed of trust, in case of foreclosure of a mortgage, tax sale, judicial sale, sale by a trustee under a deed of trust, or sale under Bankruptcy Code or receivership proceedings, of a unit owned by a declarant or of real property in a condominium subject to development rights, a person acquiring title to all the real property being foreclosed or sold may request to succeed to all special declarant rights or only to rights reserved by the declaration to maintain models, offices, and signs. The judgment or instrument conveying title may provide for transfer of only the special declarant rights requested.

(d) On foreclosure, tax sale, judicial sale, sale by a trustee under a deed of trust, or sale under Bankruptcy Code or receivership proceedings of all units and other real property in a

condominium owned by a declarant:

(1) the declarant ceases to have any special declarant rights; and

(2) the period of declarant control terminates unless the judgment or instrument conveying title provides for transfer of all special declarant rights held by that declarant to a successor declarant.

(e) The liabilities and obligations of a person who succeeds to special declarant rights are as follows:

(1) a successor to a special declarant right who is an affiliate of a declarant is subject to all obligations and liabilities imposed on the transferor by this chapter or by the declaration;

(2) a successor to a special declarant right, other than a successor described by Subdivision (3) or (4), who is not an affiliate of a declarant, is subject to all obligations and liabilities imposed on the transferor by this chapter or by the declaration;

(3) a successor to only a right reserved by the declaration to maintain models, offices, and signs, who is not an affiliate of a declarant, may not exercise any other special declarant right, and is not subject to any liability or obligation as a declarant, except the obligation to provide a condominium information statement and any liability arising as a result; and

(4) a successor to all special declarant rights held by the successor's transferor who is not an affiliate of that declarant and who succeeded to those rights pursuant to a deed in lieu of foreclosure or a judgment or instrument conveying title to units under Subsection (c) may declare the person's intention in a recorded instrument to hold those rights solely for transfer to another person; thereafter, until all special declarant rights are transferred to a person acquiring title to any unit owned by the successor, or until an instrument permitting exercise of all those rights is recorded, the successor may not exercise any of those rights other than any right held by the successor's transferor to control the board as provided by Section 82.103(c) for the duration of the period of declarant control, and an attempt to exercise those

rights is void; so long as a successor declarant may not exercise special declarant rights under this subdivision, the successor is not subject to any liability or obligation as a declarant other than liability for acts and omissions under Section 82.103(a).

(f) This section does not subject a successor to a special declarant right to any claims against or other obligations of a transferor declarant, other than claims and obligations arising under this chapter or the declaration.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.105. TERMINATION OF CONTRACTS AND LEASES OF DECLARANT. An association in a residential or recreational condominium may terminate, without penalty, contracts or leases between the association and a declarant or an affiliate of a declarant if:

(1) the contract is entered into by the association while controlled by the declarant;

(2) the association terminates the contract or lease before the first anniversary of the date a board elected by the unit owners takes office; and

(3) the association gives at least 90 days' notice of its intent to terminate the contract or lease to the other party.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.106. BYLAWS. (a) The administration and operation of the condominium are governed by the bylaws, which must provide for:

(1) the number of members on the board and the titles of the officers of the association;

(2) election by the board of a president, treasurer, secretary, and any other officers the bylaws specify;

(3) the qualifications, powers and duties, terms of office, and the manner of electing and removing a board member or officer and filling vacancies;

(4) the powers, if any, that the board or an officer may delegate to other persons or to a managing agent;

(5) the designation of officers who are authorized to

prepare, execute, certify, and record amendments to the declaration on behalf of the association;

(6) the method of amending the bylaws; and

(7) the manner of notice of meetings of the association.

(b) Subject to the declaration, the bylaws may provide for other matters the association considers desirable, necessary, or appropriate.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.107. UPKEEP OF CONDOMINIUM. (a) Except as provided by the declaration or Subsections (b) and (c), the association is responsible for maintenance, repair, and replacement of the common elements, and each unit owner is responsible for maintenance, repair, and replacement of the owner's unit. Each unit owner shall afford to the association and the other unit owners, and to their agents or employees, access through the owner's unit reasonably necessary for those purposes. If damage is inflicted on the common elements or on any unit through which access is taken, the unit owner responsible for the damage, or the association if it is responsible, is liable for the prompt repair of the damage.

(b) Except as provided by the declaration, each unit owner is responsible for the cost of maintenance, repair, and replacement of any utility installation or equipment serving only the owner's unit, without regard to whether the installation or equipment is located wholly or partially outside the designated boundaries of the unit. For purposes of this subsection, utility installations and equipment include electricity, water, sewage, gas, water heaters, heating and air conditioning equipment, and television antennas.

(c) Except as provided by the declaration, each unit owner is responsible for the cost of maintenance, repair, and replacement of windows and doors serving only the owner's unit.

(d) Unless otherwise provided by the declaration, the association may enter a unit, after giving notice to the owner and occupant of the unit, to:

(1) prevent or terminate waste of water purchased by

the association as a common expense; or

(2) perform maintenance and repairs of the condominium that, if not performed, may result in increased damage by water to components of the condominium that the association maintains.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.108. MEETINGS. (a) Meetings of the association must be held at least once each year. Unless the declaration provides otherwise, special meetings of the association may be called by the president, a majority of the board, or unit owners having at least 20 percent of the votes in the association.

(b) Meetings of the association and board must be open to unit owners, subject to the right of the board to adjourn a meeting of the board and reconvene in closed executive session to consider actions involving personnel, pending litigation, contract negotiations, enforcement actions, matters involving the invasion of privacy of individual unit owners, or matters that are to remain confidential by request of the affected parties and agreement of the board. The general nature of any business to be considered in executive session must first be announced at the open meeting.

(b-1) A meeting of the association may be held by any method of communication, including electronic and telephonic means as provided by Section 6.002, Business Organizations Code.

(c) A meeting of the board may be held by any method of communication, including electronic and telephonic means as provided by Section 6.002, Business Organizations Code, if:

(1) notice of the meeting has been given in accordance with Subsection (e);

(2) each director may hear and be heard by every other director; and

(3) the meeting does not involve voting on a fine, damage assessment, appeal from a denial of architectural control approval, or suspension of a right of a particular association member before the member has an opportunity to attend a board meeting to present the member's position, including any defense, on the issue.

(c-1) The board may act by unanimous written consent of all

the directors, without a meeting, if:

(1) the board action does not involve voting on a fine, damage assessment, appeal from a denial of architectural control approval, or suspension of a right of a particular association member before the member has an opportunity to attend a board meeting to present the member's position, including any defense, on the issue; and

(2) a record of the board action is filed with the minutes of board meetings.

(d) Notice of a meeting of the association must be given as provided by the bylaws, or, if the bylaws do not provide for notice, notice must be given to each unit owner in the same manner in which notice is given to members of a nonprofit corporation under Sections 6.051 and 22.156, Business Organizations Code.

(e) Notice of a meeting of the board must be given as provided by the bylaws, or, if the bylaws do not provide for notice, notice must be given to each board member in the same manner in which notice is given to members of the board of a nonprofit corporation under Sections 6.051, 6.052, and 22.217, Business Organizations Code.

(f) An association, on the written request of a unit owner, shall inform the unit owner of the time and place of the next regular or special meeting of the board. If the association representative to whom the request is made does not know the time and place of the meeting, the association promptly shall obtain the information and disclose it to the unit owner or inform the unit owner where the information may be obtained.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.
Amended by Acts 1997, 75th Leg., ch. 956, Sec. 3, eff. Jan. 1, 1998.
Amended by:

Acts 2025, 89th Leg., R.S., Ch. 79 (S.B. 2629), Sec. 2, eff. September 1, 2025.

Sec. 82.109. QUORUMS. (a) Unless the bylaws provide otherwise, a quorum is present throughout any meeting of the association if persons entitled to cast at least 20 percent of the votes that may be cast for election of the board are present in

person or by proxy at the beginning of the meeting. The bylaws may not reduce the standard for a quorum to less than 10 percent.

(b) Unless the bylaws specify a larger percentage, a quorum is present throughout a meeting of the board if persons entitled to cast at least 50 percent of the votes on the board are present at the beginning of the meeting.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.110. VOTING AND PROXIES. (a) If only one of the multiple owners of a unit is present at a meeting of the association, that person may cast the vote or votes allocated to that unit. If more than one of the multiple owners is present, the vote or votes allocated to that unit may be cast only in accordance with the owners' unanimous agreement unless the declaration provides otherwise. Multiple owners are in unanimous agreement if one of the multiple owners casts the votes allocated to a unit and none of the other owners makes prompt protest to the person presiding over the meeting.

(b) Votes allocated to a unit may be cast under a written proxy duly executed by a unit owner. If a unit is owned by more than one person, each owner of the unit may vote or register protest to the casting of votes by the other owners of the unit through a proxy duly executed by the unit owner. A unit owner may not revoke a proxy given under this section except by giving actual notice of revocation to the person presiding over a meeting of the association. A proxy is void if it is not dated or if it purports to be revocable without notice. A proxy terminates one year after its date unless it specifies a shorter or longer time.

(c) Cumulative voting is not allowed.

(d) Voting may be conducted electronically as provided by Section 6.002, Business Organizations Code.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Amended by:

Acts 2025, 89th Leg., R.S., Ch. 79 (S.B. 2629), Sec. 3, eff. September 1, 2025.

Sec. 82.111. INSURANCE. (a) Beginning not later than the

time of the first conveyance of a unit to a person other than a declarant, the association shall maintain, to the extent reasonably available:

(1) property insurance on the insurable common elements insuring against all risks of direct physical loss commonly insured against, including fire and extended coverage, in a total amount of at least 80 percent of the replacement cost or actual cash value of the insured property as of the effective date and at each renewal date of the policy; and

(2) commercial general liability insurance, including medical payments insurance, in an amount determined by the board but not less than any amount specified by the declaration covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the common elements.

(b) If a building contains units having horizontal boundaries described in the declaration, the insurance maintained under Subsection (a)(1), to the extent reasonably available, must include the units, but need not include improvements and betterments installed by unit owners.

(c) If the insurance described by Subsections (a) and (b) is not reasonably available, the association shall cause notice of that fact to be delivered or mailed to all unit owners and lienholders. The declaration may require the association to carry any other insurance, and the association in any event may carry any other insurance the board considers appropriate to protect the condominium, the association, or the unit owners. Insurance policies maintained under Subsection (a) may provide for commercially reasonable deductibles as the board determines appropriate or necessary. This section does not affect the right of a holder of a mortgage on a unit to require a unit owner to acquire insurance in addition to that provided by the association.

(d) Insurance policies carried under Subsection (a) must provide that:

(1) each unit owner is an insured person under the policy with respect to liability arising out of the person's ownership of an undivided interest in the common elements or

membership in the association;

(2) the insurer waives its right to subrogation under the policy against a unit owner;

(3) no action or omission of a unit owner, unless within the scope of the unit owner's authority on behalf of the association, will void the policy or be a condition to recovery under the policy; and

(4) if, at the time of a loss under the policy, there is other insurance in the name of a unit owner covering the same property covered by the policy, the association's policy provides primary insurance.

(e) A claim for any loss covered by the policy under Subsection (a)(1) must be submitted by and adjusted with the association. The insurance proceeds for that loss shall be payable to an insurance trustee designated by the association for that purpose, if the designation of an insurance trustee is considered by the board to be necessary or desirable, or otherwise to the association, and not to any unit owner or lienholder.

(f) The insurance trustee or the association shall hold insurance proceeds in trust for unit owners and lienholders as their interests may appear. Subject to Subsection (i), the proceeds paid under a policy must be disbursed first for the repair or restoration of the damaged common elements and units, and unit owners and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored, or the condominium is terminated.

(g) An insurance policy issued to the association does not prevent a unit owner from obtaining insurance for the owner's own benefit.

(h) The insurer issuing the policy may not cancel or refuse to renew it less than 30 days after written notice of the proposed cancellation or nonrenewal has been mailed to the association.

(i) Except as provided by this section, any portion of the condominium for which insurance is required that is damaged or destroyed shall be promptly repaired or replaced by the association unless the condominium is terminated, repair or replacement would

be illegal under any state or local health or safety statute or ordinance, or at least 80 percent of the unit owners vote to not rebuild. Each owner of a unit may vote, regardless of whether the owner's unit or limited common element has been damaged or destroyed. A vote may be cast electronically or by written ballot if a meeting is not held for that purpose or in person or by proxy at a meeting called for that purpose. A vote to not rebuild does not increase an insurer's liability to loss payment obligation under a policy, and the vote does not cause a presumption of total loss. Except as provided by this section, the cost of repair or replacement in excess of the insurance proceeds is a common expense, and the board may levy an assessment to pay the expenses in accordance with each owner's common expense liability. If the entire condominium is not repaired or replaced, any insurance proceeds attributable to the damaged common elements shall be used to restore the damaged area to a condition compatible with the remainder of the condominium, the insurance proceeds attributable to units and limited common elements that are not rebuilt shall be distributed to the owners of those units and the owners of the units to which those limited common elements were assigned, or to their mortgagees, as their interests may appear, and the remainder of the proceeds shall be distributed to all the unit owners in accordance with each owner's undivided interest in the common elements unless otherwise provided in the declaration. If the unit owners vote to not rebuild any unit, that unit's allocated interests shall be automatically reallocated on the vote as if the unit had been condemned, and the association shall prepare, execute, and record an amendment to the declaration reflecting the reallocation. Section 82.068 governs the distribution of insurance proceeds if the condominium is terminated.

(j) If the cost to repair damage to a unit or common element covered by the association's insurance is less than the amount of the applicable insurance deductible, the party who would be responsible for the repair in the absence of insurance shall pay the cost for the repair of the unit or common element.

(k) If the association's insurance provides coverage for the loss and the cost to repair the damage to a unit or common

element is more than the amount of the applicable insurance deductible, the dedicatory instruments determine payment for the cost of the association's deductible and costs incurred before insurance proceeds are available. If the dedicatory instruments are silent, the board of directors of the association by resolution shall determine the payment of those costs, or if the board does not approve a resolution, the costs are a common expense. A resolution under this subsection is considered a dedicatory instrument and must be recorded in each location in which the declaration is recorded.

(l) If damage to a unit or the common elements is due wholly or partly to an act or omission of any unit owner or a guest or invitee of the unit owner, the association may assess the deductible expense and any other expense in excess of insurance proceeds against the owner and the owner's unit.

(m) The provisions of this section may be varied or waived if all the units in a condominium are restricted to nonresidential use.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 678 (H.B. 2075), Sec. 4, eff. September 1, 2013.

Sec. 82.112. ASSESSMENTS FOR COMMON EXPENSES. (a) Until an association makes a common expense assessment, a declarant shall pay all the expenses of the condominium as the expenses accrue. After an initial assessment by an association, assessments must be made at least annually and must be based on a budget adopted at least annually by the association. The association's reserves and the unit owners' working capital contributions may not be used to pay operational expenses until the declarant control terminates.

(b) From the date of the initial assessment until declarant control terminates, or three years from a declarant's first conveyance of a unit, whichever is earlier, the declarant shall periodically pay to the association:

(1) an amount equal to all operational expenses of the association, less the operational expense portion of the

assessments paid by unit owners other than declarant; or

(2) the common expense liability allocated to each unit owned by the declarant.

(c) Common expenses shall be assessed against all units conveyed, rented, or used as models or offices by the declarant and against all units owned by a declarant after termination of a declarant's control or three years from a declarant's first conveyance of a unit, whichever is earlier, in accordance with the common expense liability allocated to each unit. A past due assessment or installment of an assessment may bear interest at a lawful rate established by the association.

(d) Except as provided by the declaration and Section 82.107, a common expense for the maintenance, repair, or replacement of a limited common element shall be assessed against all the units as if it were for a general common element.

(e) If common expense liabilities are reallocated, common expense assessments and an assessment installment not yet due shall be recomputed in accordance with the reallocated common expense liabilities.

(f) A declaration may allow the accumulation of reserve funds for an unspecified period to provide for any anticipated expense of the condominium.

(g) This section does not prevent a declarant from collecting from a purchaser at closing the prorated amount of any expenses, such as insurance or taxes, that the declarant has prepaid to the association or directly to others on behalf of the unit that is being purchased.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.113. ASSOCIATION'S LIEN FOR ASSESSMENTS. (a) An assessment levied by the association against a unit or unit owner is a personal obligation of the unit owner and is secured by a continuing lien on the unit and on rents and insurance proceeds received by the unit owner and relating to the owner's unit. In this section, "assessments" means regular and special assessments, dues, fees, charges, interest, late fees, fines, collection costs, attorney's fees, and any other amount due to the association by the

unit owner or levied against the unit by the association, all of which are enforceable as assessments under this section unless the declaration provides otherwise.

(b) The association's lien for assessments has priority over any other lien except:

(1) a lien for real property taxes and other governmental assessments or charges against the unit unless otherwise provided by Section 32.05, Tax Code;

(2) a lien or encumbrance recorded before the declaration is recorded;

(3) a first vendor's lien or first deed of trust lien recorded before the date on which the assessment sought to be enforced becomes delinquent under the declaration, bylaws, or rules; and

(4) unless the declaration provides otherwise, a lien for construction of improvements to the unit or an assignment of the right to insurance proceeds on the unit if the lien or assignment is recorded or duly perfected before the date on which the assessment sought to be enforced becomes delinquent under the declaration, bylaws, or rules.

(c) The association's lien for assessments is created by recordation of the declaration, which constitutes record notice and perfection of the lien. Unless the declaration provides otherwise, no other recordation of a lien or notice of lien is required.

(d) By acquiring a unit, a unit owner grants to the association a power of sale in connection with the association's lien. By written resolution, a board may appoint, from time to time, an officer, agent, trustee, or attorney of the association to exercise the power of sale on behalf of the association. Except as provided by the declaration, an association shall exercise its power of sale pursuant to Section 51.002.

(e) The association has the right to foreclose its lien judicially or by nonjudicial foreclosure pursuant to the power of sale created by this chapter or the declaration, except that the association may not foreclose a lien for assessments consisting solely of fines. Costs of foreclosure may be added to the amount owed by the unit owner to the association. A unit owner may not

petition a court to set aside a sale solely because the purchase price at the foreclosure sale was insufficient to fully satisfy the owner's debt.

(f) The association may bid for and purchase the unit at foreclosure sale as a common expense. The association may own, lease, encumber, exchange, sell, or convey a unit.

(g) The owner of a unit purchased at a foreclosure sale of the association's lien for assessments may redeem the unit not later than the 90th day after the date of the foreclosure sale. If the association is the purchaser, the owner must pay to the association to redeem the unit all amounts due the association at the time of the foreclosure sale, interest from the date of foreclosure sale to the date of redemption at the rate provided by the declaration for delinquent assessments, reasonable attorney's fees and costs incurred by the association in foreclosing the lien, any assessment levied against the unit by the association after the foreclosure sale, and any reasonable cost incurred by the association as owner of the unit, including costs of maintenance and leasing. If a party other than the association is the purchaser, the redeeming owner must pay to the purchaser of the unit at the foreclosure sale an amount equal to the amount bid at the sale, interest on the bid amount computed from the date of the foreclosure sale to the date of redemption at the rate of six percent, any assessment paid by the purchaser after the date of foreclosure, and any reasonable costs incurred by the purchaser as the owner of the unit, including costs of maintenance and leasing. The redeeming owner must also pay to the association all assessments that are due as of the date of the redemption and reasonable attorney's fees and costs incurred by the association in foreclosing the lien. On redemption, the purchaser of the unit at the foreclosure sale shall execute a deed with no warranty to the redeeming unit owner. The exercise of the right of redemption is not effective against a subsequent purchaser or lender for value without notice of the redemption after the redemption period expires unless the redeeming unit owner records the deed from the purchaser of the unit at the foreclosure sale or an affidavit stating that the owner has exercised the right of redemption. A

unit that has been redeemed remains subject to all liens and encumbrances on the unit before foreclosure. All rents and other income collected from the unit by the purchaser of the unit at the foreclosure sale from the date of foreclosure sale to the date of redemption belong to the purchaser of the unit at the foreclosure sale, but the rents and income shall be credited against the redemption amount. The purchaser of a unit at a sale foreclosing an association's assessment lien may not transfer ownership of the unit during the redemption period to a person other than a redeeming owner.

(h) If a unit owner defaults in the owner's monetary obligations to the association, the association may notify other lien holders of the default and the association's intent to foreclose its lien. The association shall notify any holder of a recorded lien or duly perfected mechanic's lien against a unit who has given the association a written request for notification of the unit owner's monetary default or the association's intent to foreclose its lien.

(i) This section does not prohibit the association from taking a deed in lieu of foreclosure or from filing suit to recover a money judgment for sums that may be secured by the lien.

(j) At any time before a nonjudicial foreclosure sale, a unit owner may avoid foreclosure by paying all amounts due the association.

(k) If, on January 1, 1994, a unit is the homestead of the unit owner and is subject to a declaration that does not contain a valid assessment lien against the unit, the lien provided by this section does not attach against the unit until the unit ceases to be the homestead of the person owning it on January 1, 1994.

(l) Foreclosure of a tax lien attaching against a unit under Chapter 32, Tax Code, does not discharge the association's lien for assessments under this section or under a declaration for amounts becoming due to the association after the date of foreclosure of the tax lien.

(m) If a unit owner is delinquent in payment of assessments to an association, at the request of the association a holder of a recorded lien against the unit may provide the association with

information about the unit owner's debt secured by the holder's lien against the unit and other relevant information. At the request of a lien holder, the association may furnish the lien holder with information about the condominium and the unit owner's obligations to the association.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 678 (H.B. 2075), Sec. 5, eff. September 1, 2013.

Sec. 82.114. ASSOCIATION RECORDS. (a) The association shall keep:

(1) detailed financial records that comply with generally accepted accounting principles and that are sufficiently detailed to enable the association to prepare a resale certificate under Section 82.157;

(2) the plans and specifications used to construct the condominium except for buildings originally constructed before January 1, 1994;

(3) the condominium information statement prepared under Section 82.152 and any amendments;

(4) the name and mailing address of each unit owner;

(5) voting records, proxies, and correspondence relating to amendments to the declaration; and

(6) minutes of meetings of the association and board.

(b) All financial and other records of the association shall be reasonably available at its registered office or its principal office in this state for examination and production in accordance with Section 82.1141.

(c) The association shall, as a common expense, annually obtain an independent audit of the records. Copies of the audit must be made available to the unit owners. An audit required by this subsection shall be performed by a certified public accountant if required by the bylaws or a vote of the board of directors or a majority vote of the members of the association voting at a meeting of the association.

(d) A declarant shall furnish copies to the association of

the information required by Subsection (a) on the date the first unit is sold.

(e) Not later than the 30th day after the date of acquiring an interest in a unit, the unit owner shall provide the association with:

(1) the unit owner's mailing address, telephone number, and driver's license number, if any;

(2) the name and address of the holder of any lien against the unit, and any loan number;

(3) the name and telephone number of any person occupying the unit other than the unit owner; and

(4) the name, address, and telephone number of any person managing the unit as agent of the unit owner.

(f) A unit owner shall notify the association not later than the 30th day after the date the owner has notice of a change in any information required by Subsection (e), and shall provide the information on request by the association from time to time.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Amended by:

Acts 2021, 87th Leg., R.S., Ch. 555 (S.B. 318), Sec. 1, eff. September 1, 2021.

Sec. 82.1141. ACCESS TO ASSOCIATION RECORDS. (a) This section applies to all associations governed by this chapter and controls over other law not specifically applicable to an association.

(b) Notwithstanding a provision in a dedicatory instrument, an association shall make the books and records of the association, including financial records, open to and reasonably available for examination by a unit owner, or a person designated in a writing signed by the unit owner as the unit owner's agent, attorney, or certified public accountant, in accordance with this section. A unit owner is entitled to obtain from the association copies of information contained in the books and records.

(c) Except as provided by this subsection, an attorney's files and records relating to the association, excluding invoices requested by a unit owner for attorney's fees and other costs

relating only to a matter for which the association seeks reimbursement of fees and costs from the unit owner, are not records of the association and are not subject to inspection by the unit owner or production in a legal proceeding. If a document in an attorney's files and records relating to the association would be responsive to a legally authorized request to inspect or copy association documents, the document shall be produced by using the copy from the attorney's files and records if the association has not maintained a separate copy of the document. This subsection does not require production of a document that constitutes attorney work product or that is privileged as an attorney-client communication.

(d) A unit owner or the unit owner's authorized representative described by Subsection (b) must submit a written request for access or information under Subsection (b) by certified mail, with sufficient detail describing the association's books and records requested, to the mailing address of the association or authorized representative as reflected on the most current management certificate filed under Section 82.116. The request must contain an election either to inspect the books and records before obtaining copies or to have the association forward copies of the requested books and records and:

(1) if an inspection is requested, the association, on or before the 10th business day after the date the association receives the request, shall send written notice of dates during normal business hours that the unit owner may inspect the requested books and records to the extent those books and records are in the possession, custody, or control of the association; or

(2) if copies of identified books and records are requested, the association shall, to the extent those books and records are in the possession, custody, or control of the association, produce the requested books and records for the requesting party on or before the 10th business day after the date the association receives the request, except as otherwise provided by this section.

(e) If the association is unable to produce the books or records requested under Subsection (d) on or before the 10th

business day after the date the association receives the request, the association must provide to the requestor written notice that:

(1) informs the requestor that the association is unable to produce the information on or before the 10th business day after the date the association received the request; and

(2) states a date by which the information will be sent or made available for inspection to the requesting party that is not later than the 15th business day after the date notice under this subsection is given.

(f) If an inspection is requested or required, the inspection shall take place at a mutually agreed on time during normal business hours, and the requesting party shall identify the books and records for the association to copy and forward to the requesting party.

(g) An association may produce books and records requested under this section in hard copy, electronic, or other format reasonably available to the association.

(h) An association board must adopt a records production and copying policy that prescribes the costs the association will charge for the compilation, production, and reproduction of information requested under this section. The prescribed charges may include all reasonable costs of materials, labor, and overhead but may not exceed costs that would be applicable for an item under 1 T.A.C. Section 70.3 for an item produced by the association and may not exceed actual costs for an item produced by a third party. The policy required by this subsection must be recorded as a dedicatory instrument in accordance with Section 202.006. An association may not charge a unit owner for the compilation, production, or reproduction of information requested under this section unless the policy prescribing those costs has been recorded as required by this subsection. A unit owner is responsible for costs related to the compilation, production, and reproduction of the requested information in the amounts prescribed by the policy adopted under this subsection. The association may require advance payment of the estimated costs of compilation, production, and reproduction of the requested information. If the estimated costs are lesser or greater than the actual costs, the association

shall submit a final invoice to the unit owner on or before the 30th business day after the date the information is delivered. If the final invoice includes additional amounts due from the unit owner, the additional amounts, if not reimbursed to the association before the 30th business day after the date the invoice is sent to the unit owner, may be added to the unit owner's account as an assessment. If the estimated costs exceeded the final invoice amount, the unit owner is entitled to a refund, and the refund shall be issued to the unit owner not later than the 30th business day after the date the invoice is sent to the unit owner.

(i) An association must estimate costs under this section using amounts prescribed by the policy adopted under Subsection (h).

(j) Except as provided by Subsection (k) and to the extent the information is provided in the meeting minutes, the association is not required to release or allow inspection of any books or records that identify the dedicatory instrument violation history of an individual unit owner of an association, a unit owner's personal financial information, including records of payment or nonpayment of amounts due the association, a unit owner's contact information, a unit owner's address, or information related to an employee of the association, including personnel files. Information may be released in an aggregate or summary manner that would not identify an individual unit owner.

(k) The books and records described by Subsection (j) shall be released or made available for inspection if:

(1) the express written approval of the unit owner whose records are the subject of the request for inspection is provided to the association; or

(2) a court orders the release of the books and records or orders that the books and records be made available for inspection.

(l) In addition to retaining records as necessary for compliance with Section 82.114, an association composed of eight or more units shall adopt and comply with a document retention policy that includes, at a minimum, the following requirements:

(1) certificates of formation, bylaws, dedicatory

instruments, and all amendments to the certificates of formation, bylaws, and dedicatory instruments shall be retained permanently;

(2) financial books and records shall be retained for seven years;

(3) account records of current unit owners shall be retained for five years;

(4) contracts with a term of one year or more shall be retained for four years after the expiration of the contract term;

(5) minutes of meetings of the unit owners and the board shall be retained for seven years; and

(6) tax returns and audit records shall be retained for seven years.

(m) A member of an association who is denied access to or copies of association books or records to which the member is entitled under this section may file a petition with the justice of the peace of a justice precinct in which all or part of the condominium is located requesting relief in accordance with this subsection. If the justice of the peace finds that the member is entitled to access to or copies of the records, the justice of the peace may grant one or more of the following remedies:

(1) a judgment ordering the association to release or allow access to the books or records; or

(2) a judgment against the association for court costs and attorney's fees incurred in connection with seeking a remedy under this section.

(n) If the association prevails in an action under Subsection (m), the association is entitled to a judgment for court costs and attorney's fees incurred by the association in connection with the action.

(o) On or before the 10th business day before the date a person brings an action against an association under this section, the person must send written notice to the association of the person's intent to bring the action. The notice must:

(1) be sent certified mail, return receipt requested, or delivered by the United States Postal Service with signature confirmation service to the mailing address of the association or authorized representative as reflected on the most current

management certificate filed under Section 82.116; and

(2) describe with sufficient detail the books and records being requested.

(p) For the purposes of this section, "business day" means a day other than Saturday, Sunday, or a state or federal holiday.

Added by Acts 2021, 87th Leg., R.S., Ch. 555 (S.B. 318), Sec. 2, eff. September 1, 2021.

Sec. 82.1142. ONLINE ASSOCIATION INFORMATION REQUIRED. (a) This section only applies to:

(1) the association of a condominium composed of at least 60 units; or

(2) an association that has contracted with a management company.

(b) An association to which this section applies shall make the current version of the association's dedicatory instruments relating to the association and filed in the county deed records available on an Internet website that is:

(1) maintained by the association or a management company on behalf of the association; and

(2) accessible to association members.

Added by Acts 2025, 89th Leg., R.S., Ch. 10 (S.B. 711), Sec. 2, eff. September 1, 2025.

Sec. 82.115. ASSOCIATION AS TRUSTEE. A third person dealing with an association in the association's capacity as a trustee may assume without inquiry the existence of trust powers and their proper exercise by the association. A third person who lacks actual knowledge that an association is exceeding or improperly exercising its powers is fully protected in dealing with the association as if the association possessed and properly exercised the powers it purports to exercise. A third person is not bound to ensure the proper application of trust assets paid or delivered to an association in its capacity as trustee.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.116. MANAGEMENT CERTIFICATE. (a) An association

shall record in each county in which any portion of the condominium is located a management certificate, signed and acknowledged by an officer of the association, stating:

(1) the name of the condominium;

(2) the name of the association;

(3) the location of the condominium;

(4) the recording data for the declaration and any amendments to the declaration;

(5) the mailing address of the association;

(6) the name, mailing address, telephone number, and e-mail address of any management company;

(7) the website address of any Internet website on which the association's dedicatory instruments are available in accordance with Section 82.1142;

(8) the amount and description of a fee or fees charged to a unit seller or buyer relating to a transfer of a property interest in a unit of the condominium; and

(9) other information the association considers appropriate.

(a-1) The county clerk of each county in which a management certificate is filed as required by this section shall record the management certificate in the real property records of the county and index the document as a "Condominium Association Management Certificate."

(b) The association shall record an amended management certificate not later than the 30th day after the date the association has notice of a change in any information in a recorded certificate required by Subsection (a).

(b-1) Not later than the seventh day after the date an association files a management certificate for recording under Subsection (a) or files an amended management certificate for recording under Subsection (b), the association shall electronically file the management certificate or amended management certificate with the Texas Real Estate Commission. The Texas Real Estate Commission shall only collect the management certificate and amended management certificate for the purpose of making the data accessible to the public through an Internet

website.

(c) Except as provided by Subsection (d), the association and its officers, directors, employees, and agents are not subject to liability to any person for delay or failure to record a management certificate with a county clerk's office or to electronically file the management certificate with the Texas Real Estate Commission, unless the delay or failure is wilful or caused by gross negligence.

(d) A unit owner is not liable for attorney's fees incurred by an association relating to the collection of a delinquent assessment against the unit owner, or interest on the delinquent assessment, if the attorney's fees are incurred by the association or the interest accrues during the period a management certificate is not recorded with a county clerk or electronically filed with the Texas Real Estate Commission, as required by this section.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 678 (H.B. 2075), Sec. 6, eff. September 1, 2013.

Acts 2025, 89th Leg., R.S., Ch. 10 (S.B. 711), Sec. 3, eff. September 1, 2025.

Sec. 82.117. OBLIGATIONS OF UNIT OWNERS. Without limiting the obligations of the unit owners and except as provided by the declaration, bylaws, rules of the association, or this chapter, the unit owner:

(1) shall pay assessments, interest, and other charges properly levied by the association against the owner or the owner's unit, and shall pay regular periodic assessments without demand by the association;

(2) shall comply with the declaration, bylaws, and rules of the association, including any amendments;

(3) shall pay for damage to the condominium caused by the negligence or wilful misconduct of the owner, an occupant of the owner's unit, or the owner or occupant's family, guests, employees, contractors, agents, or invitees; and

(4) is liable to the association for violations of the

declaration, bylaws, or rules of the association, including any amendments, by the owner, an occupant of the owner's unit, or the owner or occupant's family, guests, employees, agents, or invitees, and for costs incurred by the association to obtain compliance, including attorney's fees whether or not suit is filed.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.118. SERVICE OF PROCESS ON UNIT OWNERS IN CERTAIN MUNICIPALITIES; CHANGE OF ADDRESS REQUIRED. (a) A unit owner of a condominium located wholly or partly in a municipality with a population of more than 1.9 million may be served with process by the municipality or the municipality's agent for a judicial or administrative proceeding initiated by the municipality and directly related to the unit owner's property interest in the condominium by serving the unit owner at the unit owner's last known address, according to the records of the appraisal district in which the condominium is located, by any means permitted by Rule 21a, Texas Rules of Civil Procedure.

(b) Notwithstanding Subsection (a), a unit owner may not offer proof in the judicial or administrative proceeding, or in a subsequent related proceeding, that otherwise proper service by mail of the notice was not received not later than three days after the date the notice was deposited in a post office or official depository under the care and custody of the United States Postal Service.

(c) Not later than the 90th day after the date a unit owner changes the unit owner's mailing address, the owner must provide written notice of the owner's new address to the appraisal district in which the condominium is located.

Added by Acts 2009, 81st Leg., R.S., Ch. 1323 (H.B. 3128), Sec. 2, eff. September 1, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 693 (H.B. 364), Sec. 2, eff. September 1, 2011.

Acts 2011, 82nd Leg., R.S., Ch. 693 (H.B. 364), Sec. 3, eff. September 1, 2011.

Sec. 82.119. PROCEDURES FOR FILING SUIT OR INITIATING ARBITRATION PROCEEDINGS FOR DEFECT OR DESIGN CLAIMS FOR CERTAIN ASSOCIATIONS. (a) This section does not apply to an association with less than eight units.

(b) In addition to any preconditions to filing suit or initiating an arbitration proceeding included in the declaration, an association, before filing suit or initiating an arbitration proceeding to resolve a claim pertaining to the construction or design of a unit or the common elements, must:

(1) obtain an inspection and a written independent third-party report from a licensed professional engineer that:

(A) identifies the specific units or common elements subject to the claim;

(B) describes the present physical condition of the units or common elements subject to the claim; and

(C) describes any modifications, maintenance, or repairs to the units or common elements performed by the unit owners or the association; and

(2) obtain approval from unit owners holding more than 50 percent of the total votes allocated under the declaration, voting in person or by proxy as provided by Section 82.110, at a regular, annual, or special meeting called in accordance with the declaration or bylaws, as applicable.

(c) The association must provide written notice of the inspection to be conducted by the engineer to each party subject to a claim not later than the 10th day before the date the inspection occurs. The notice must:

(1) identify the party engaged to prepare the report required by Subsection (b)(1);

(2) identify the specific units or common elements to be inspected; and

(3) include the date and time the inspection will occur.

(d) Each party subject to a claim may attend the inspection conducted by the engineer, either personally or through an agent.

(e) Before providing the notice of the meeting under Subsection (f), an association must:

(1) on completion of the independent third-party report, provide the report to each unit owner and each party subject to a claim; and

(2) allow each party subject to a claim at least 90 days after the date of completion of the report to inspect and correct any condition identified in the report.

(f) Not later than the 30th day before the date the meeting described by Subsection (b)(2) is held, the association must provide each unit owner with written notice of the date, time, and location of the meeting. The notice must also include:

(1) a description of the nature of the claim, the relief sought, the anticipated duration of prosecuting the claim, and the likelihood of success;

(2) a copy of the report required by Subsection (b)(1);

(3) a copy of the contract or proposed contract between the association and the attorney selected by the board to assert or provide assistance with the claim;

(4) a description of the attorney's fees, consultant fees, expert witness fees, and court costs, whether incurred by the association directly or for which the association may be liable as a result of prosecuting the claim;

(5) a summary of the steps previously taken by the association to resolve the claim;

(6) a statement that initiating a lawsuit or arbitration proceeding to resolve a claim may affect the market value, marketability, or refinancing of a unit while the claim is prosecuted; and

(7) a description of the manner in which the association proposes to fund the cost of prosecuting the claim.

(g) The notice required by Subsection (f) must be prepared and signed by a person who is not:

(1) the attorney who represents or will represent the association in the claim;

(2) a member of the law firm of the attorney who represents or will represent the association in the claim; or

(3) employed by or otherwise affiliated with the law

firm of the attorney who represents or will represent the association in the claim.

(h) The period of limitations for filing a suit or initiating an arbitration proceeding for a claim described by Subsection (b) is tolled until the first anniversary of the date the procedures are initiated by the association under that subsection if the procedures are initiated during the final year of the applicable period of limitation.

Added by Acts 2015, 84th Leg., R.S., Ch. 730 (H.B. 1455), Sec. 1, eff. September 1, 2015.

Sec. 82.120. BINDING ARBITRATION FOR CERTAIN CLAIMS. (a) A declaration may provide that a claim pertaining to the construction or design of a unit or the common elements must be resolved by binding arbitration and may provide for a process by which the claim is resolved.

(b) An amendment to the declaration that modifies or removes the arbitration requirement or the process associated with resolution of a claim may not apply retroactively to a claim regarding the construction or design of units or common elements based on an alleged act or omission that occurred before the date of the amendment.

Added by Acts 2015, 84th Leg., R.S., Ch. 730 (H.B. 1455), Sec. 1, eff. September 1, 2015.

Sec. 82.121. POSSESSION OF FIREARM OR FIREARM AMMUNITION ON CONDOMINIUM PROPERTY. (a) Unless possession of a firearm or firearm ammunition on condominium property is prohibited by state or federal law, a condominium unit owner, or a tenant or guest of a condominium unit owner, or a guest of a tenant of a condominium unit owner may not be prohibited from lawfully possessing, carrying, transporting, or storing a firearm, any part of a firearm, or firearm ammunition:

(1) in the condominium unit owner's unit;

(2) in a vehicle located in a parking area provided for the residents or guests of the condominium property; or

(3) in other common element locations as necessary to:

(A) enter or exit the condominium property;

(B) enter or exit the condominium unit owner's unit; or

(C) enter or exit a vehicle on the condominium property or located in a parking area provided for residents or guests of the condominium property.

(b) This section applies notwithstanding any provision of a dedicatory instrument to the contrary and regardless of the date of the provision's adoption.

Added by Acts 2019, 86th Leg., R.S., Ch. 39 (H.B. 302), Sec. 5, eff. September 1, 2019.

SUBCHAPTER D. PROTECTION OF PURCHASERS

Sec. 82.151. APPLICABILITY. (a) This subchapter applies to each unit subject to this chapter, except as provided by Subsection (b) or as modified or waived by the agreement of a purchaser of a unit in a condominium in which all units are restricted to nonresidential use.

(b) A condominium information statement or resale certificate need not be prepared or delivered in the case of:

(1) a gratuitous disposition of a unit;

(2) a disposition pursuant to court order;

(3) a disposition by a government or governmental agency;

(4) a disposition by foreclosure or deed in lieu of foreclosure; or

(5) a disposition that may be canceled at any time, for any reason, and without penalty.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.152. LIABILITY FOR CONDOMINIUM INFORMATION STATEMENT. (a) Except as provided by Subsection (b), a declarant shall prepare a condominium information statement before offering to the public any interest in a unit.

(b) A declarant may transfer responsibility for preparation of all or a part of the condominium information statement to a

successor declarant or to a person in the business of selling real property who intends to offer units in the condominium for the person's own account. On such transfer, the transferor shall provide the transferee with any information necessary to enable the transferee to prepare a condominium information statement.

(c) A declarant or other person in the business of selling real property who offers a unit for the person's own account to a purchaser shall provide a purchaser of a unit with a copy of the condominium information statement, as amended, before conveyance of the unit or the date of a contract of sale, whichever is earlier.

(d) The person preparing all or part of the condominium information statement is liable for any false or misleading statement or for any omission of material fact in the portion of the condominium information statement that the person prepared. If a declarant did not prepare any part of a condominium information statement that the declarant delivers, the declarant is not liable for any false or misleading statement or any omission of material fact unless the declarant actually knew or should have known of the statement or omission.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.153. CONDOMINIUM INFORMATION STATEMENTS IN GENERAL. (a) A condominium information statement must contain or accurately disclose:

(1) the name and principal address of the declarant and of the condominium;

(2) a general description of the condominium that includes the types of units and the maximum number of units;

(3) the minimum and maximum number of additional units, if any, that may be included in the condominium;

(4) a brief narrative description of any development rights reserved by a declarant and of any conditions relating to or limitations upon the exercise of development rights;

(5) copies of the declaration, articles of incorporation of the association, the bylaws, any rules of the association, and amendments to any of them, and copies of leases and contracts, other than loan documents, that are required by the

declarant to be signed by purchasers at closing;

(6) a projected or pro forma budget for the association that complies with Subsection (b) for the first fiscal year of the association following the date of the first conveyance to a purchaser, identification of the person who prepared the budget, and a statement of the budget's assumptions concerning occupancy and inflation factors;

(7) a general description of each lien, lease, or encumbrance on or affecting the title to the condominium after conveyance by the declarant;

(8) a copy of each written warranty provided by the declarant;

(9) a description of any unsatisfied judgments against the association and any pending suits to which the association is a party or which are material to the land title and construction of the condominium of which a declarant has actual knowledge;

(10) a general description of the insurance coverage provided for the benefit of unit owners;

(11) current or expected fees or charges to be paid by unit owners for the use of the common elements and other facilities related to the condominium; and

(12) for a condominium located wholly or partly in a municipality with a population of more than 1.9 million a statement that a unit owner:

(A) as an alternative to personal service, may be served with process by the municipality or the municipality's agent for a judicial or administrative proceeding initiated by the municipality and directly related to the unit owner's property interest in the condominium by serving the unit owner at the unit owner's last known address, according to the records of the appraisal district in which the condominium is located, by any means permitted by Rule 21a, Texas Rules of Civil Procedure;

(B) shall notify the appraisal district in writing of a change in the unit owner's mailing address not later than the 90th day after the date the unit owner changes the address; and

(C) may not offer proof in the judicial or

administrative proceeding, or in a subsequent related proceeding, that otherwise proper service by mail of the notice was not received not later than three days after the date the notice was deposited in a post office or official depository under the care and custody of the United States Postal Service.

(b) A budget under Subsection (a)(6) must be prepared in accordance with generally accepted accounting principles and a consideration of the physical condition of the condominium and be based on assumptions that, to the best of the declarant's knowledge and belief, are reasonable. The budget must include:

(1) a statement of the amount included, or a statement that no amount is included, in the budget as a reserve; and

(2) the projected monthly common expense assessment for each type of unit.

(c) A declarant shall promptly amend the condominium information statement to reflect a material and substantial change in its contents. If the change may adversely affect a prospective purchaser who has received a condominium information statement, the declarant shall furnish a copy of the amendment to the prospective purchaser before closing.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Amended by:

Acts 2009, 81st Leg., R.S., Ch. 1323 (H.B. 3128), Sec. 3, eff. September 1, 2009.

Acts 2011, 82nd Leg., R.S., Ch. 693 (H.B. 364), Sec. 4, eff. September 1, 2011.

Sec. 82.154. CONDOMINIUMS WITH CONVERSION BUILDINGS. If a building contains units that may be occupied for residential use, the condominium information statement of a condominium containing any conversion building must additionally contain:

(1) a dated statement by the declarant, based on a report by an independent architect or engineer, describing the present condition of all structural components and mechanical and electrical installations material to the use and enjoyment of the building;

(2) a dated statement by the declarant of the expected

useful life of each item reported in Subdivision (1) or a statement that no representations are made in that regard; and

(3) a list of violations of building code or other governmental regulations of which the declarant has received notice and that have not been cured, together with the estimated cost of curing those violations.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.155. CONDOMINIUM SECURITIES. A declarant satisfies all requirements relating to preparation of a condominium information statement if an interest in the condominium is currently registered with the Securities and Exchange Commission of the United States and if the declarant delivers to the purchaser a copy of the public offering statement filed with the commission.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.156. PURCHASER'S RIGHT TO CANCEL. (a) If a purchaser of a unit from a unit owner other than a declarant has not received from the seller the declaration, bylaws, and association rules required by Section 82.157 before the purchaser executes a contract of sale or if the contract does not contain an underlined or bold-print provision acknowledging the purchaser's receipt of those documents and recommending that the purchaser read those documents before executing the contract, the purchaser may cancel the contract before the sixth day after the date the purchaser receives those documents. If a purchaser has not received a resale certificate before executing a contract of sale, the purchaser may cancel the contract before the sixth day after the date the purchaser receives the resale certificate or executes a waiver under Section 82.157, whichever occurs first.

(b) If a purchaser from a declarant has not received the condominium information statement before the purchaser executes a contract of sale or if a contract does not contain an underlined or bold-print provision acknowledging the purchaser's receipt of the condominium information statement and recommending that the purchaser read the condominium information statement before executing the contract, the purchaser may cancel the contract

before the sixth day after the date the purchaser receives the condominium information statement.

(c) If a purchaser elects to cancel a contract under Subsection (a) or (b), the cancellation must be by hand-delivering written notice of cancellation to the declarant or selling unit owner or by mailing notice of cancellation by certified United States mail, return receipt requested, to the offeror or the offeror's agent for service of process within the five-day cancellation period. Cancellation is without penalty, and all payments made by the purchaser before cancellation must be refunded.

(d) A selling unit owner may not require a purchaser to close until the purchaser is given the declaration, bylaws, and any association rules. A declarant may not require a purchaser to close until a condominium information statement has been furnished to the purchaser.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.157. RESALE OF UNIT. (a) Except as provided by Subsection (c), if a unit owner other than a declarant intends to sell a unit, before executing a contract or conveying the unit, the unit owner must furnish to the purchaser a current copy of the declaration, bylaws, any association rules, and a resale certificate that must have been prepared not earlier than three months before the date it is delivered to the purchaser. The resale certificate must be issued by the association and must contain the current operating budget of the association and statements of:

(1) any right of first refusal or other restraint contained in the declaration that restricts the right to transfer a unit;

(2) the amount of the periodic common expense assessment and the unpaid common expenses or special assessments currently due and payable from the selling unit owner;

(3) other unpaid fees or amounts payable to the association by the selling unit owner;

(4) capital expenditures, if any, approved by the

association for the next 12 months;

(5) the amount of reserves, if any, for capital expenditures and of portions of those reserves designated by the association for a specified project;

(6) any unsatisfied judgments against the association;

(7) the nature of any pending suits against the association;

(8) insurance coverage provided for the benefit of unit owners;

(9) whether the board has knowledge that any alterations or improvements to the unit or to the limited common elements assigned to that unit violate the declaration, bylaws, or association rules;

(10) whether the board has received notice from a governmental authority concerning violations of health or building codes with respect to the unit, the limited common elements assigned to that unit, or any other portion of the condominium;

(11) the remaining term of any leasehold estate that affects the condominium and the provisions governing an extension or renewal of the lease;

(12) the name, mailing address, and telephone number of the association's managing agent, if any;

(13) the association's current operating budget and balance sheet; and

(14) all fees payable to the association or an agent of the association that are associated with the transfer of ownership, including a description of each fee, to whom the fee is paid, and the amount of the fee.

(b) Not later than the 10th day after the date of receiving a written request by a unit owner, an association shall furnish to the selling unit owner or the owner's agent a resale certificate signed and dated by an officer or authorized agent of the association containing the information required by Subsection (a). A selling unit owner or the owner's agent is not liable to the purchaser for erroneous information provided by the association in the certificate. If an association does not furnish a resale

certificate or any information required in the certificate within the 10-day period, the unit owner may provide the purchaser with a sworn affidavit signed by the unit owner in lieu of the certificate. An affidavit must state that the unit owner requested information from the association concerning its financial condition, as required by this section, and that the association did not timely provide a resale certificate or the information required in the certificate. If a unit owner has furnished an affidavit to a purchaser, the unit owner and the purchaser may agree in writing to waive the requirement to furnish a resale certificate. The association is not liable to a selling unit owner for delay or failure to furnish a resale certificate, and an officer or agent of the association is not liable for a delay or failure to furnish a certificate unless the officer or agent wilfully refuses to furnish the certificate or is grossly negligent in not furnishing the resale certificate. Failure to provide a resale certificate does not void a deed to a purchaser.

(c) If a properly executed resale certificate incorrectly states the total of delinquent sums owed by the selling unit owner to the association, the purchaser is not liable for payment of additional delinquencies that are unpaid on the date the certificate is prepared and that exceed the total sum stated in the certificate. A unit owner or the owner's agent is not liable to a purchaser for the failure or delay of the association to provide the certificate in a timely manner.

(d) A resale certificate does not affect:

(1) an association's right to recover debts or claims that arise or become due after the date the certificate is prepared; or

(2) an association's lien on a unit securing payment of future assessments.

(e) A purchaser, lender, or title insurer who relies on a resale certificate is not liable for any debt or claim that is not disclosed in the certificate. An association may not deny the validity of any statement in the certificate.

(f) An association may charge a reasonable and necessary fee, not to exceed $375, to furnish a resale certificate under

Subsection (a).

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Amended by:

Acts 2015, 84th Leg., R.S., Ch. 1183 (S.B. 1168), Sec. 1, eff. September 1, 2015.

Acts 2025, 89th Leg., R.S., Ch. 10 (S.B. 711), Sec. 4, eff. September 1, 2025.

Sec. 82.158. ESCROW OF DEPOSITS. A deposit made in connection with the purchase or reservation of a unit from a declarant shall be placed in escrow and held in this state in an account designated for that purpose by a real estate broker, an attorney, a title insurance company licensed in this state, an independent bonded escrow company, or an institution whose accounts are insured by a governmental agency or instrumentality until delivered to the declarant at closing, delivered to the declarant because of the purchaser's default under a contract to purchase the unit, or refunded to the purchaser. Escrow deposits may be placed in interest-bearing accounts, and the interest is payable as may be agreed in writing between the declarant and the purchaser.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.159. RELEASE OF LIENS. Before conveying real property to an association, a declarant shall have that real property released from all liens the foreclosure of which would deprive unit owners of any right of access to or easement of support of the owners' units, and all other liens on that real property unless the condominium information statement describes certain real property that may be conveyed subject to liens in specified amounts.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.160. CONVERSION BUILDINGS. (a) A declarant of a condominium containing a conversion building shall give each residential tenant or subtenant in possession of a portion of a conversion building notice of the conversion at least 60 days before the date the declarant will require the tenant or subtenant

in possession to vacate. The notice must state generally the rights of tenants and subtenants under this section and shall be hand-delivered to the unit or mailed by certified United States mail, return receipt requested, to the tenant or subtenant at the address of the unit or any other mailing address provided by the tenant or subtenant. The declarant may not require a tenant or subtenant to vacate on less than 60 days' notice, except for nonpayment of rent, waste, or conduct that violates the rental agreement or is illegal, and the terms of a tenancy may not be altered during that period. Failure of a declarant to give notice as required by this section is a defense to an action for possession.

(b) If a notice of conversion specifies a date by which a unit or proposed unit must be vacated and otherwise complies with Section 24.005, the notice also constitutes legal notice to vacate on that date for purposes of Section 24.005. A declarant may not terminate a lease in violation of its terms.

(c) Unless expressly authorized by a rental agreement, a declarant may not make substantial alterations to the interior of a leased premises for purposes of a condominium conversion.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.161. EFFECT OF VIOLATIONS ON RIGHTS OF ACTION AND ATTORNEY'S FEES. (a) If a declarant or any other person subject to this chapter violates this chapter, the declaration, or the bylaws, any person or class of persons adversely affected by the violation has a claim for appropriate relief.

(b) The prevailing party in an action to enforce the declaration, bylaws, or rules is entitled to reasonable attorney's fees and costs of litigation from the nonprevailing party.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.162. LABELING OF PROMOTIONAL MATERIAL. If any improvement contemplated in a condominium is labeled "NEED NOT BE BUILT" on a plat or plan or is to be located within a portion of a condominium with respect to which the declarant has reserved a development right, no promotional material that describes or

depicts the improvement may be displayed or delivered to prospective purchasers unless the description or depiction of the improvement is conspicuously labeled or identified as "NEED NOT BE BUILT."

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.163. DECLARANT'S OBLIGATION TO COMPLETE AND RESTORE. The declarant shall complete all improvements labeled "MUST BE BUILT" on plats or plans. The declarant is subject to liability for the prompt repair and restoration, to a condition compatible with the remainder of the condominium, of any portion of the condominium affected by the exercise of rights reserved pursuant to or created under this chapter.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.

Sec. 82.164. LOANS AS ELIGIBLE INVESTMENTS. (a) A loan on a condominium unit and the undivided interest in the common elements is an eligible investment for a bank, savings and loan association, trust company, life insurance company, or other lending institution that is authorized to make real property loans, and for an administrator, guardian, executor, trustee, individual, partnership, corporation, or other fiduciary that is authorized to make real property loans. In determining eligibility, the existence of a prior lien for taxes, assessments, or other similar charges not yet delinquent may not be considered in determining whether a mortgage or deed of trust on the security is a first lien. This section does not change any provision of law that would otherwise be applicable that limits mortgage investments based on a special fraction or percentage of the value of the mortgaged property.

(b) An association's lien for assessments does not make a condominium unit ineligible for loans for which the unit would otherwise qualify.

Added by Acts 1993, 73rd Leg., ch. 244, Sec. 1, eff. Jan. 1, 1994.