

Under the Texas Property Code chapter 207, a Resale Certificate is used to disclose information of property owners' associations.

§ 207.003. DELIVERY OF SUBDIVISION INFORMATION TO OWNER.

a) Not later than the 10th day after the date a written request for subdivision information is received from an owner, owner's agent, or title insurance company or its agent acting on behalf of the owner, the property owners' association shall deliver to the owner, owner's agent, or title insurance company or its agent:

- (1) a current copy of the restrictions applying to the subdivision;
- (2) a current copy of the bylaws and rules of the property owners' association; and
- (3) a **resale certificate** that complies with Subsection (b).

(b) A **resale certificate** under Subsection (a) must contain:

- (1) *a statement of any right of first refusal or other restraint contained in the restrictions or restrictive covenants that restricts the owner's right to transfer the owner's property;*
- (2) *the frequency and amount of any regular assessments;*
- (3) *the amount of any special assessment that is due after the date the resale certificate is prepared;*
- (4) *the total of all amounts due and unpaid to the property owners' association that are attributable to the owner's property;*
- (5) *capital expenditures, if any, approved by the property owners' association for the property owners' association's current fiscal year;*
- (6) *the amount of reserves, if any, for capital expenditures;*
- (7) *the property owners' association's current operating budget and balance sheet;*
- (8) *the total of any unsatisfied judgments against the property owners' association;*
- (9) *the style and cause number of any pending lawsuit in which the property owners' association is a defendant;*
- (10) *a copy of a certificate of insurance showing the property owners' association's property and liability insurance relating to the common areas and common facilities;*
- (11) *a description of any conditions on the owner's property that the property owners' association board has actual knowledge are in violation of the restrictions applying to the subdivision or the bylaws or rules of the property owners' association;*
- (12) *a summary or copy of notices received by the property owners' association from any governmental authority regarding health or housing code violations existing on the preparation date of the certificate relating to the owner's property or any common areas or common facilities owned or leased by the property owners' association;*
- (13) *the amount of any administrative transfer fee charged by the property owners' association for a change of ownership of property in the subdivision;*
- (14) *the name, mailing address, and telephone number of the property owners' association's managing agent, if any; and*
- (15) *a statement indicating whether the restrictions allow foreclosure of a property owners' association's lien on the owner's property for failure to pay assessments.*

- (c) A property owners' association may charge a reasonable fee to assemble, copy, and deliver the information required by this section and may charge a reasonable fee to prepare and deliver an update of a resale certificate.
- (d) The property owners' association shall deliver the information required by Subsection (a) to the person specified in the written request. A written request that does not specify the name and location to which the information is to be sent is not effective. The property owners' association may deliver the information required by Subsection (a) and any update to the resale certificate by mail, hand delivery, or alternative delivery means specified in the written request.
- (e) Unless required by a dedicatory instrument, neither a property owners' association or its agent is required to inspect a property before issuing a resale certificate or an update to a resale certificate.

Added by Acts 1999, 76th Leg., ch. 1198, § 1, eff. Sept. 1, 1999