

Amend **CSHB 1823** (Senate committee printing) as follows:

(1) In the recital to SECTION 2 of the bill (page 1, line 28), strike "Subsection (e)" and substitute "Subsections (e), (f), and (g)".

(2) In SECTION 2 of the bill, between added Subsection (e), Section 5.062, Property Code, and SECTION 3 of the bill (page 1, between lines 44 and 45), insert the following:

(f) Notwithstanding any other provision of this subchapter, only the following sections apply to an executory contract described by Subsection (a)(2) if the term of the contract is three years or less and the purchaser and seller, or the purchaser's or seller's assignee, agent, or affiliate, have not been parties to an executory contract to purchase the property covered by the executory contract for longer than three years:

(1) Sections 5.063-5.065;

(2) Section 5.073, except for Section 5.073(a)(2); and

(3) Sections 5.083 and 5.085.

(g) Except as provided by Subsection (b), if Subsection (f) conflicts with another provision of this subchapter, Subsection (f) prevails.

(3) In SECTION 3 of the bill, in added Subsection (a), Section 5.0621, Property Code (page 1, lines 48-50), strike "if a residential lease of real property includes an option to purchase the property, the provisions of this subchapter and Chapter 92 apply to the lease" and substitute "the provisions of this subchapter and Chapter 92 apply to the portion of an executory contract described by Section 5.062(a)(2) that is a residential lease agreement".

(4) In SECTION 6 of the bill, at the end of added Section 5.082, Property Code (page 3, between lines 44 and 45), insert the following:

(e) Not later than the 20th day after the date a seller receives notice of an amount determined by a purchaser under Subsection (c)(1), the seller may contest that amount by sending a written objection to the purchaser. An objection under this subsection must:

(1) be sent to the purchaser by regular and certified

mail;

(2) include the amount the seller claims is the amount owed under the contract; and

(3) be based on written records kept by the seller or the seller's agent that were maintained and regularly updated for the entire term of the executory contract.

Amend **CSHB 1823** (Senate committee printing) as follows:

(1) In the recital to SECTION 2 of the bill (page 1, line 28), strike "Subsection (a)" and substitute "Subsections (a) and (b)".

(2) In SECTION 2 of the bill, between amended Subsection (a) and added Subsection (e), Section 5.062, Property Code (page 1, between lines 42 and 43), insert the following:

(b) This subchapter does not apply to the following transactions under an executory contract:

(1) [a transaction involving] the sale of state land;

or

(2) a sale of land by:

(A) the Veterans' Land Board;

(B) this state or a political subdivision of this

state; or

(C) an instrumentality, public corporation, or other entity created to act on behalf of this state or a political subdivision of this state, including an entity created under Chapter 303, 392, or 394, Local Government Code [under an executory contract].

Amend **CSHB 1823** (House Committee Printing) as follows:

(1) On page 1, line 20, between "(d)" and "to read", insert "and adding Subsection (e)".

(2) On page 2, line 2, between "subchapter" and the underlined colon, insert ", and only for the purposes of this subchapter".

(3) On page 2, lines 5-6, strike "a residential lease of real property that includes an option to purchase the property" and substitute "an option to purchase real property that includes or is combined or executed concurrently with a residential lease agreement, together with the lease,".

(4) On page 2, between lines 15 and 16, insert the following:

(e) This subchapter does not apply to an executory contract described by Subsection (a)(2) if the term of the contract is three years or less and the purchaser and seller have not been parties to an executory contract to purchase the property covered by the executory contract for longer than three years.

Amend **CSHB 1823** by inserting the following appropriately numbered **SECTIONS** and renumbering **SECTIONS** of the bill appropriately:

**SECTION \_\_.** Subchapter A, Chapter 5, Property Code, is amended by adding Section 5.014 to read as follows:

**Sec. 5.014. PROHIBITED FEES. A person who has a right of first refusal in real property may not charge a fee for declining to exercise that right, such as a fee for providing written evidence of the declination.**

**SECTION \_\_.** Except as provided by a contract entered into before the effective date of this Act, Section 5.014, Property Code, as added by this Act, applies only to a fee that is solicited on or after the effective date of this Act for declining the exercise of a right of first refusal.