

## BILL ANALYSIS

Senate Research Center  
76R3653 PAM-F

S.B. 167  
By: Carona  
Intergovernmental Relations  
2/17/1999  
As Filed

### DIGEST

Currently, a seller of real property is not required to deliver notice to purchasers regarding possible annexation of the property. A buyer of real estate located outside a city's limits may not be aware that the property lies within the city's extraterritorial jurisdiction and is subject to future annexation. This bill would require a seller of real property to deliver notice to a purchaser regarding the potential for annexation of the property.

### PURPOSE

As proposed, S.B. 167 requires a seller of real property to deliver notice to the purchaser regarding the potential for annexation of the property.

### RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 5A, Property Code, by adding Section 5.011, as follows:

Sec. 5.011. SELLER'S DISCLOSURE REGARDING POTENTIAL ANNEXATION.

Requires a seller of real property to deliver a written notice regarding the potential for ~~annexation~~ of the property. Provides an example of such notice. Requires the seller to deliver the notice to the purchaser before a certain date. Authorizes the notice to be given separately, as part of the contract during negotiations, or as part of any other notice delivered to the purchaser. Establishes that this section does not apply to certain transfers. Provides that the seller has no duty to provide additional information regarding possible annexation if the notice is delivered as provided by this section. Authorizes the purchaser to terminate the contract within a certain time frame if an executory contract is entered into without the seller providing such notice.

SECTION 2. Effective date: January 1, 2000.  
Makes application of this Act prospective.

SECTION 3. Emergency clause.