

PRESS RELEASE

From the Office of State Senator Jon Lindsay

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Senator Jon Lindsay Files Legislation to Prevent Homeowner Tragedy from Occurring in the Future

Senator Jon Lindsay today filed three Senate Bills which would give homeowners some protection against the foreclosure powers held by homeowner associations. The bills were filed in response to the eviction and foreclosure of the home of 82-year-old widow Wenonah Blevins, by the Champions Community Improvement Association in Harris County, as reported in the May 2nd and 3rd editions of The Houston Chronicle.

Senator Lindsay said, "This is a sad and outrageous tragedy for Ms. Blevins that should not have happened and should never happen again. Homeowner associations hold far too much power for an organization that is not a governmental entity. Most homeowners entrust their association to regulate and maintain the appearance of the subdivision, much like a garden club. What they may not understand is that unlike the garden club, when you fail to pay your dues they can take your home away."

Under present law, a homeowners association may take legal action against a homeowner who falls behind in their dues and fees or fails to pay fines for covenant violations. In practice, the association puts the home on the auction block seeking only to raise enough money to pay for the arrearage and any court costs and attorney fees. In the case of Ms. Blevins, her home was already paid off. Although it was worth \$150,000, the auction sale price came in at \$5,000 which paid for her \$814.50 debt.

Senate Bill 1834, filed today by Lindsay, would make the association think twice about such blatant disregard for fairness by requiring them to reimburse the property owner the difference between the auction price and the appraised value of the home. Senate Bill 1835 makes homesteads exempt from seizure due to non-payment of homeowners association maintenance fees. Associations could still place liens on residences in order to enforce their deed restrictions. And, finally, SJR 53, a constitutional amendment which would require voter approval, states that a home may not be subject to a forced sale for maintenance dues owned to a homeowners association. Although only introduced this morning, these bills have been set for a Senate hearing this afternoon.

"According to the Chronicle article, Ms. Blevins actually attempted to pay her debt to the association last year, but they decided not to cash her check and followed through with legal proceedings. Even more shockingly, the association actually bid \$4,200 on her home. Should this legislation pass, I think associations will think twice before arrogantly flaunting their power and disregarding the people they are supposed to serve," said Senator Lindsay. "Ms. Blevins paid \$150,000 for an \$800 debt and that is just not right. I never want to see this sort of thing happen again."