

ENGROSSED SENATE
BILL NO. 812

By: Jolley of the Senate

and

Miller (Ken) of the House

An Act relating to property; amending 60 O.S. 2001, Sections 508 and 852, which relate to rules and bylaws and owners association; allowing certain banners or flags to be displayed; and providing an effective date.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

SECTION 1. AMENDATORY 60 O.S. 2001, Section 508, is amended to read as follows:

Section 508. Each unit owner shall comply strictly with the bylaws and with the administrative rules and regulations adopted pursuant thereto, as either of the same may be lawfully amended from time to time, and with the covenants, conditions and restrictions set forth in the declaration or in the deed to ~~his~~ the person's unit. Such bylaws shall not prohibit the display of patriotic banners or flags. Failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief or both, maintainable by the manager or board of managers on behalf of the council of unit owners or, in a proper case, by an aggrieved unit owner.

SECTION 2. AMENDATORY 60 O.S. 2001, Section 852, is amended to read as follows:

Section 852. A. An "owners association" may be formed by the owner or owners of real estate development for the purpose of:

1. providing management, maintenance, preservation and control of commonly owned areas or any portion of or interest in them, and/or

2. enforcing all mutual, common or reciprocal interests in or restrictions upon all or portions of such separately owned lots, parcels, or areas, or both; provided, however, such restrictions shall not prohibit the display of patriotic banners or flags.

B. An owners association shall be formed by the execution of an instrument signed and acknowledged by all owners of the real property included. Such instrument shall set forth in detail the nature of the obligations of the members and shall be filed of record in the office of the county clerk of the county wherein the real property is located. The instrument shall include a description of said real property.

C. The owners association shall have the power to enforce any obligation in connection with membership in the owners association by means of a levy or assessment which may become a lien upon the separately or commonly owned lots, parcels or areas of defaulting owners or members, which said lien may be foreclosed in any manner provided by law for the foreclosure of mortgages or deeds of trust, with or without a power of sale. In an action brought to enforce any lien authorized pursuant to the provisions of this section, the prevailing party shall be entitled to recover reasonable attorney's fees to be fixed by the court, which shall be taxed as costs in the action. No lien may be placed or mortgage foreclosed unless the homeowner was informed in writing upon joining the owners association of the existence and content of the owners association restrictions and rules, and of the potential for financial liability to the individual owner by joining said owners association.

SECTION 3. This act shall become effective November 1, 2005.

Passed the Senate the 1st day of March, 2005.

Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____,
2005.

Presiding Officer of the House
of Representatives