



Frequently Asked Questions

Why Dissolve the HOA?

Here is a list of just some of the reasons.

The lack of Property Owner participation. Property Owners are just not interested. Meetings, annual picnics and board participation go mostly unattended. We have not been able to seat and maintain the full 12-member board and the Architectural Control Committee for the past 15 years.

The Wildlife Management requirement was the lynchpin of the HOA's duties when founded, but since the county has ended it for most of the properties, the HOA's main function is gone.

Our HOA provides little in the way of positive attributes. We lack common areas and amenities for the HOA to provide and take care of. We offer no pool, park, playground, trails, or recreation center commonly associated with a community HOA.

The HOA has no ability to impose fines, limiting violation enforcement effectiveness.

The nature of the properties being rural, but with an HOA, deters potential buyers.

To simplify and bring clarity to the current restrictions imposed on our deeds - thus making properties more appealing to potential buyers.

When will this take effect?

Once the steps to terminate the HOA are completed in accordance with the plan, the final step in the plan will be to file the new amendment with the county clerk. Once filed, the HOA will be dissolved.

What will happen to the residual money the HOA has collected over the years?

The plan states that any leftover money will be distributed to local volunteer fire departments of our choosing.

Why can't that money be distributed back to the Property Owners?

Unfortunately, State law requires that dissolving non-profits organizations must distribute residual funds to another non-profit or surrender them to the state. The local fire departments made the most sense to the Board since they provide emergency services to our residents, and our contribution will be used locally.

How will the HOA be dissolved?

The dissolution is basically accomplished in two parts. First, The Deed Restrictions will need to be amended and that requires property owners comprising of 66 2/3% of the total acreage to sign off on it. Second, the HOA, as a non-profit organization, needs to create, adopt and follow a plan of dissolution and file Form 652 with the Texas Secretary of State to be considered properly dissolved.

Will our current deed restrictions be altered or go away?

The restrictions by-and-large will remain unchanged. We have no intention to alter the nature of our community. However, in the amended restrictions, all references regarding the HOA, Architectural Control Committee, and Wildlife Management will be removed. This will simplify and clarify the document attached to our deeds.

Do restricted neighborhoods have to have an HOA?

No. Many restricted neighborhoods don't have HOAs.

Will I still have to pay annual dues?

No. If the amendment receives the required number of signatures for passage, HOA Dues will no longer be collected and all outstanding dues will be forgiven.

My property currently has a lien against it due to non-payment of annual dues. What will happen to that lien?

Per the plan, all liens held by the HOA will be released and documented as such in the county records. Any unpaid dues will be forgiven.

Who will enforce the restrictions if the HOA is dissolved?

That will be up to individual or a like-minded group of Property Owners to pursue legal action, if necessary, to rectify any future violations.

Will the amended deed restrictions be filed with the county and be attached to our deeds?

Yes, once all steps of the dissolution plan are completed. The board will file the amendment with the county clerk. This will be the document that binds to the deed.

Can the restrictions be amended in the future? If so, how?

They can, but it will have to meet the same 66 2/3% acreage requirement within the initial 50-year period (2049). After that, only 50% is required. See Article 8.03 of the restrictions for more details.

What if some Property Owners want to revive the HOA in the future?

It can be done, but it will be effectively starting up a new HOA from scratch and will need to meet the current Texas state property code requirements at the time of initiation.

What happens if we don't get the 66 2/3% needed to pass the Amendment?

The amendment will be scrapped, and the dissolution plan will be abandoned. Most, if not all, of the current board have expressed they will step down, so a new board will have to be seated. With the lack of participation from the property owners it's likely that our HOA will not be able to seat and maintain a new Board of Directors and will become inactive. This would likely lead to forfeiture of HOA funds to the state and leave the current, rather messy and undesirable, Deed Restrictions document attached to our properties. Also, the state of Texas has the right to take control of the HOA and assign a professional outside entity to run the HOA. This would surely result in a *significant* increase in dues.

Will the loss of the HOA affect my property's value?

Highly unlikely. HOAs are a double-edged sword and have started to fall out of favor with many potential buyers, especially since we are rural. While well-crafted and managed HOAs have some benefits, many homebuyers are reluctant to buy property within an HOA for fear of dealing with an out-of-control HOA Board. In the case of Horse Creek Ranch, benefits and amenities commonly associated with other HOAs, like Swimming Pools, Parks, Playgrounds, Community Centers, Security, Gated Entrances and common use areas, are not provided. The lack of any of these types of amenities makes the need for an HOA far less necessary.