What is a Deed of Restriction?

Real estate deed restrictions are restrictions on the deed that place limitations on the use of the property. Restrictive covenants are an example of deed restrictions. Deed restrictions are usually initiated by the developers - those who determined what the land would be used for, divided the land into plots, and built homes, office buildings, or retail buildings on it. Deed restrictions come with the property and usually can't be changed or removed by subsequent owners.

Deed restrictions such as restrictive covenants are often put in place to maintain a desired look in a neighborhood. To that end, deed restrictions may prevent owners from building more than a pre-established number of homes on one lot. Deed restrictions can also specify what materials or style a building may or may not be constructed of, and how close to the street it can be. Deed restrictions can even specify the minimum size that a house on the lot may be.

Deed restrictions govern more than just the construction of buildings on a property. Restrictive covenants in a residential neighborhood dictate what types of materials fences may be made out of, or establish limits regarding pets, such as how many pets can be kept in a home or the conditions they must be kept in. Covenants often protect the aesthetic appearance of the neighborhood by providing a list of acceptable paint colors for the exterior of the house, regulating tree-cutting and other landscaping issues, or prohibiting the use of the lot for storage of campers, trailers, or cars that don't run. Covenants might also establish road maintenance or amenities fees.

It's important to be aware of the deed restrictions on a property before making an offer. Some covenants might seem too restrictive or prohibit you from making a change to the property that is important to you. If your real estate agent or the seller does not offer you a copy of the deed restrictions, you can find the information at the county courthouse. Make sure you read the deed restrictions closely, as you don't want to end up getting trapped into a covenant you strongly disagree with.

The existence of deed restrictions is often the primary reason an owner chooses to live in an association. Fair and uniform enforcement of an association's deed restrictions is critical to maintaining property values.

Source: http://www.wisegeek.com/what-are-deed-restrictions.htm