

ADOPTED SENATE

Senator Chapman of the 3rd offered the following amendment:

1 *Amend the Senate Natural Resources and the Environment Committee substitute to HB 214*
 2 *(LC 25 4956S) by inserting after "certain taxation;" on line 5 of page 1 the following:*

3 to change certain provisions relating to terms of leases, assignment, preservation,
 4 continuance, and survival of rights and privileges; to place certain restrictions on leases;

5 *By inserting between Sections 4 and 5 the following:*

SECTION 4B.

6 Said part is further amended by revising Code Section 12-3-245, relating to terms of leases,
 7 assignment, preservation, continuance, and survival of rights and privileges, as follows:

8 "12-3-245.

9 (a) The leasing of the subdivided lots shall be for not more than 99 years. Such leases
 10 as the authority shall designate may be made freely assignable, subject to all the
 11 liabilities, obligations, and duties imposed upon the lessee by the authority in its original
 12 lease. In its leasehold conveyance or rental contracts, the authority may create and
 13 provide for the preservation of such rights and privileges in the present or future security
 14 grantees, mortgagees, or other lenders upon the security of the lessee's or tenant's rights,
 15 as the authority may deem wise. Such rights and privileges, when created, may also
 16 provide for their continuance or survival after termination or forfeiture of the original
 17 leasehold or rental contract.

18 (b)(1) No lot that was under lease for a single-family residential purpose as of the
 19 effective date of this subsection shall be used after such date for a multifamily
 20 residential purpose or further subdivided, whether under the same or another lease.

21 (2) No lot that was under lease for a commercial purpose as of the effective date of this
 22 subsection shall be used after such date for any residential purpose, whether under the
 23 same or another lease.

24 (3) This subsection shall not be applied to impair an obligation under any valid contract
 25 entered into prior to the effective date of this subsection."
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