

Senate Bill 494

By: Senators Hamrick of the 30th and Moody of the 56th

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 4 of Chapter 6 of Title 44 of the Official Code of Georgia Annotated,  
2 relating to remainders and reversions, so as to prohibit a fee for a future conveyance of  
3 residential real property; to provide a definition; to provide for related matters; to repeal  
4 conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 style="text-align:center">**SECTION 1.**

7 Article 4 of Chapter 6 of Title 44 of the Official Code of Georgia Annotated, relating to  
8 remainders and reversions, is amended by adding a new Code section to read as follows:

9 "44-6-69.

10 (a) A deed restriction or other covenant running with the land applicable to the conveyance  
11 of residential real property that requires a transferee of residential real property or the  
12 transferee's heirs, successors, or assigns to pay a declarant or other person imposing the  
13 deed restriction or covenant on the property or a third party designated by a transferor of  
14 the property a fee in connection with a future transfer of the property shall be prohibited.  
15 A deed restriction or other covenant running with the land that violates this Code section  
16 or a lien purporting to encumber the land to secure a right under a deed restriction or other  
17 covenant running with the land that violates this Code section is void and unenforceable.  
18 For purposes of this Code section, a conveyance of real property includes a conveyance or  
19 other transfer of an interest or estate in residential real property.

20 (b) This Code section shall not apply to a deed restriction or other covenant running with  
21 the land that requires a fee associated with the conveyance of property in a subdivision that  
22 is payable to:

23 (1) A property owners' association, as such term is defined in Code Section 44-3-221,  
24 that manages or regulates the subdivision or the association's managing agent if the  
25 subdivision contains more than one platted lot;

- 26 (2) An entity organized under Section 501(c)(3) of the federal Internal Revenue Code;  
27 or  
28 (3) A governmental entity."

29 **SECTION 2.**

30 All laws and parts of laws in conflict with this Act are repealed.