

House Bill 129 (COMMITTEE SUBSTITUTE)

By: Representatives McKillip of the 115<sup>th</sup>, Lindsey of the 54<sup>th</sup>, Hatfield of the 177<sup>th</sup>, Evans of the 40<sup>th</sup>, and Willard of the 49<sup>th</sup>

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 1 of Chapter 14 of Title 44 of the Official Code of Georgia Annotated,  
2 relating generally to mortgages, conveyances to secure debt, and liens, so as to prohibit a fee  
3 for a future conveyance of real property except under limited circumstances; to provide for  
4 a definition; to provide for related matters; to provide for an effective date; to repeal  
5 conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Article 1 of Chapter 14 of Title 44 of the Official Code of Georgia Annotated, relating  
9 generally to mortgages, conveyances to secure debt, and liens, is amended by adding a new  
10 Code section to read as follows:

11 "44-14-14.

12 (a) As used in this Code section, the term 'conveyance of real property' shall include a  
13 conveyance or other transfer of an interest or estate in real property.

14 (b) A restriction or covenant running with the land applicable to the conveyance of real  
15 property that requires a transferee or transferor of real property or the transferee's or  
16 transferor's heirs, successors, or assigns to pay a declarant or other person imposing the  
17 restriction or covenant on the property or a third party designated by such declarant or other  
18 person, or a successor, assignee, or designee of any thereof, a fee in connection with a  
19 future transfer of the property shall be prohibited. A restriction or covenant running with  
20 the land that violates this Code section or a lien purporting to encumber the land to secure  
21 a right under a restriction or covenant running with the land that violates this Code section  
22 shall be void and unenforceable.

23 (c) This Code section shall not apply to a restriction or covenant that requires a fee  
24 associated with the conveyance of property to be paid to:

25 (1) An association formed for the purposes of exercising the powers of the association  
26 of any condominium created pursuant to Article 3 of Chapter 3 of this title, the 'Georgia  
27 Condominium Act';

28 (2) A property owners' association formed for the purposes of exercising the powers of  
29 the property owners' association pursuant to Article 6 of Chapter 3 of this title, the  
30 'Georgia Property Owners' Association Act'; or

31 (3) A property owners' association formed for the purposes of exercising the powers of  
32 an association of property owners that has not been formed pursuant to or which has not  
33 adopted the provisions of Article 6 of Chapter 3 of this title, the 'Georgia Property  
34 Owners' Association Act,' provided that such association shall comply with subsection  
35 (d) of Code Section 44-3-232.

36 (d) A conveyance of an interest in real property by gift, devise, nonjudicial or judicial  
37 foreclosure, deed in lieu of foreclosure, court order, or operation of law shall be exempt  
38 from any permissible fees under this Code section."

39 **SECTION 2.**

40 This Act shall become effective upon its approval by the Governor or upon its becoming law  
41 without such approval.

42 **SECTION 3.**

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