

February 3, 2009

**S 35. EARLY ORGANIZATIONAL SESSION.** Filed 2/3/09. *TO PROVIDE FOR AN EARLIER CONVENING OF THE GENERAL ASSEMBLY FOR A ONE-DAY ORGANIZATIONAL SESSION FOLLOWED BY AN EXTENDED RECESS.*

Amends GS 120-11.1 to require that a two-day General Assembly session (title appears to reflect a one-day session) convene biennially at 10 am on the second business day in January after the members' election, except if that day is a Friday, then the session will convene on Thursday, January 2, and allows the General Assembly to stand adjourned on that second day until the start of the regular session. Effective January 1, 2011.

**Intro. by Hoyle.**

GS 120

February 19, 2009

**S 35. EARLY ORGANIZATIONAL SESSION.** Filed 2/3/09. Senate committee substitute makes the following changes to 1st edition. Corrects the title to match the bill content.

June 1, 2010

**S 35. RECONVEYANCE FEES PROHIBITED (NEW).** Filed 2/3/09. House committee substitute deletes all provisions of 2nd edition and replaces it with *AN ACT TO PROVIDE THAT TRANSFER FEE COVENANTS DO NOT RUN WITH THE TITLE TO REAL PROPERTY AND ARE NOT BINDING ON OR ENFORCEABLE AGAINST ANY SUBSEQUENT OWNER, PURCHASER, OR MORTGAGEE.* Enacts new GS Chapter 39A, entitled Transfer Fee Covenants Prohibited. Prohibits any transfer fee covenant that is recorded after the effective date of the act, or any lien that is filed after the effective date that purports to secure payment of a transfer fee, from running with the title to real property. Makes these types of covenants or liens not binding on or enforceable at law or in equity against any subsequent owner, purchaser, or mortgagee of any interest in real property as an equitable servitude or otherwise. Indicates that a person who records a transfer fee covenant, files a lien that purports to secure payment of a transfer fee, or enters into an agreement imposing a private transfer fee obligation after the act's effective date will be liable for: (1) any and all damages resulting from imposition of the transfer fee obligation including, without limitation, the amount of any transfer fee paid by a party to the transfer and (2) all attorney fees, expenses, and costs incurred by a party to the transfer or mortgagee of the real property to recover the transfer fee paid, or in an action to quiet title or register the title, or in a proceeding subsequent to initial registration. Provides that liability will be assessed to the principal and not to an agent, when an agent acts on the principal's behalf to file or secure a private transfer fee obligation. Emphasizes that the public policy of North Carolina favors the marketability of real property, and transfer fee covenants violate this policy. Defines *transfer fee* as a fee or charge payable upon the transfer of an interest in real property or payable for the right to make or accept such transfer. Lists fees and expenses that are not considered *transfer fees* for the purposes of GS Chapter 39A. Defines *transfer fee covenant* as a declaration or covenant purporting to affect real property that requires or purports to require the payment of a transfer fee to the declarant or other specified person or to their successors or assigns, upon subsequent transfer of an interest in the real property. Emphasizes that nothing in the act implies that a transfer fee covenant recorded before the act's effective date is valid or enforceable.

June 2, 2010

**S 35. RECONVEYANCE FEES PROHIBITED.** Filed 2/3/09. House amendment makes the following changes to 4th edition.

Removes references to the act's effective date within the act's provisions, adds fees payable as part of a conservation or preservation agreement to the list of fees not considered transfer fees for the act's purposes, and makes other technical and clarifying changes. Amends language to provide that nothing in the act should be interpreted to mean (was, imply) that a transfer fee covenant recorded before the act's effective date is valid or enforceable. Adds language stating that the act applies to: (1) any transfer fee covenant that is recorded after the effective date of the act; (2) any lien that is filed to enforce a transfer fee covenant that is

recorded after the effective date of the act or purports to secure payment of a transfer fee that is recorded after the act's effective date; and (3) any agreement imposing a private transfer fee obligation entered into after the act's effective date.

July 1, 2010

**SL 2010-32 (S 35). RECONVEYANCE FEES PROHIBITED.** *AN ACT TO PROVIDE THAT TRANSFER FEE COVENANTS DO NOT RUN WITH THE TITLE TO REAL PROPERTY AND ARE NOT BINDING ON OR ENFORCEABLE AGAINST ANY SUBSEQUENT OWNER, PURCHASER, OR MORTGAGEE.* Summarized in *Daily Bulletin* 6/1/10 and 6/2/10. Enacted July 1, 2010. Effective July 1, 2010.