

**As Passed by the House**

**129th General Assembly  
Regular Session  
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**H. B. No. 274**

**Representative Letson**

**Cosponsors: Representatives Bulp, Antonio, Brenner, Combs, Derickson,  
Foley, Mallory, Milkovich, Murray, O'Brien, Okey, Ramos, Szollosi, Winburn,  
Yuko Speaker Batchelder**

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**A B I L L**

To amend section 5301.057 of the Revised Code to 1  
provide that a transfer fee for purposes of a 2  
transfer fee covenant does not include any payment 3  
required pursuant to a conservation easement or 4  
agricultural easement. 5

**BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:**

**Section 1.** That section 5301.057 of the Revised Code be 6  
amended to read as follows: 7

**Sec. 5301.057.** (A) As used in this section: 8

(1) "Environmental covenant" means a 9

(a) A servitude that imposes activity and use limitations on 10  
real property and meets the requirements of section 5301.82 of the 11  
Revised Code; 12

(b) A conservation easement or agricultural easement as 13  
defined in section 5301.67 of the Revised Code. 14

(2) "Transfer" means the sale, gift, conveyance, assignment, 15  
inheritance, or other transfer of an ownership interest in real 16

property located in this state. 17

(3) "Transfer fee" means a fee or charge required by a 18  
transfer fee covenant and payable upon the transfer of an interest 19  
in real property, or payable for the right to make or accept such 20  
a transfer, regardless of whether the fee or charge is a fixed 21  
amount or is determined as a percentage of the value of the 22  
property, the purchase price, or other consideration given for the 23  
transfer. The following are not transfer fees for purposes of this 24  
section: 25

(a) Any consideration payable by the grantee to the grantor 26  
for the interest in real property being transferred. For the 27  
purposes of division (A)(3)(a) of this section, an interest in 28  
real property includes a separate mineral estate and its 29  
appurtenant surface access rights. 30

(b) Any commission payable to a licensed real estate broker 31  
for the transfer of real property pursuant to an agreement between 32  
the broker and the grantor or the grantee, including any 33  
subsequent additional commission for that transfer payable by the 34  
grantor or the grantee based upon any subsequent appreciation, 35  
development, or sale of real property; 36

(c) Any interest, charges, fees, or other amounts payable by 37  
a borrower to a lender pursuant to a loan secured by a mortgage 38  
against real property; 39

(d) Any rent, reimbursement, charge, fee, or other amount 40  
payable by a lessee to a lessor under a lease; 41

(e) Any consideration payable to the holder of an option to 42  
purchase an interest in real property or the holder of a right of 43  
first refusal or first offer to purchase an interest in real 44  
property for waiving, releasing, or not exercising the option or 45  
right upon the transfer of the property to another person; 46

(f) Any tax, fee, charge, assessment, fine, or other amount 47

payable to or imposed by a governmental authority;	48
(g) Any fee, charge, assessment, fine, or other amount	49
payable to a homeowners, condominium, cooperative, mobile home, or	50
property owners association pursuant to a declaration or covenant	51
or law applicable to the association;	52
(h) Any payment required pursuant to an environmental	53
covenant.	54
(4) "Transfer fee covenant" means a declaration or covenant	55
recorded against the title to real property that requires or	56
purports to require the payment of a transfer fee to the declarant	57
or other person specified in the declaration or covenant or to	58
their successors or assigns upon a subsequent transfer of an	59
interest in the real property.	60
(B) A transfer fee covenant recorded in this state on or	61
after <del>the effective date of this section</del> <u>September 13, 2010</u> , does	62
not run with the title to real property and is not binding on or	63
enforceable against any subsequent owner, purchaser, or mortgagee	64
of any interest in real property as an equitable servitude or	65
otherwise.	66
(C) Any lien purporting to secure the payment of a transfer	67
fee under a transfer fee covenant that is recorded in this state	68
on or after <del>the effective date of this section</del> <u>September 13, 2010</u> ,	69
is void.	70
<b>Section 2.</b> That existing section 5301.057 of the Revised Code	71
is hereby repealed.	72