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## HOUSE BILL NO. 1121

Offered January 26, 1998

A BILL to amend and reenact § 36-96.6 of the Code of Virginia, relating to titles to real or leasehold properties; prohibited covenants and reversionary interests.

Patrons—Behm, Barlow, Christian, Crittenden and Diamonstein; Senators: Norment and Williams

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:

1. That § 36-96.6 of the Code of Virginia is amended and reenacted as follows:

§ 36-96.6. Certain restrictive covenants void; instruments containing such covenants.

A. Any restrictive covenant *and any related reversionary interest*, purporting to restrict occupancy or ownership of property on the basis of race, color, religion, national origin, sex, elderliness, familial status, or handicap, whether heretofore or hereafter included in an instrument affecting the title to real or leasehold property, ~~is~~ *are* declared to be void and contrary to the public policy of this Commonwealth.

B. Any person who is asked to accept a document affecting title to real or leasehold property may decline to accept the same if it includes such a covenant *or reversionary interest* until the covenant *or reversionary interest* has been removed from the document. Refusal to accept delivery of an instrument for this reason shall not be deemed a breach of a contract to purchase, lease, mortgage, or otherwise deal with such property.

C. ~~No person shall solicit or accept compensation of any kind for the release of any covenant or reversionary interest described in subsection A. Any person violating this subsection shall be liable to any person injured thereby in an amount equal to the greater of three times the compensation solicited or received, or \$500, plus reasonable attorneys' fees and costs. However, nothing in this section shall be deemed to void or nullify the release of other covenants or reversionary interests not otherwise violative of subsection A in an instrument concurrently releasing covenants or interests that violate subsection A.~~

~~C.~~ D. A family care home, foster home, or group home in which physically handicapped, mentally ill, mentally retarded, or developmentally disabled persons reside, with one or more resident counselors or other staff persons, shall be considered for all purposes residential occupancy by a single family when construing any restrictive covenant which purports to restrict occupancy or ownership of real or leasehold property to members of a single family or to residential use or structure.

INTRODUCED

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