

1 _____ BILL NO. _____

2 INTRODUCED BY _____
3 (Primary Sponsor)

4 A BILL FOR AN ACT ENTITLED: "AN ACT REVISING COVENANT LAWS TO ALLOW COVENANTS THAT
5 ENCOURAGE WORKFORCE HOUSING AFFORDABILITY AND ATTAINABILITY; ALLOWING COVENANTS
6 THAT RESTRICT THE SALE, LEASE, OR OWNER'S SHARE OF EQUITY APPRECIATION TO INDIVIDUALS
7 WITH SPECIFIC INCOMES AND OCCUPATIONS; AND AMENDING SECTION 70-17-203, MCA."

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9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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11 **Section 1.** Section 70-17-203, MCA, is amended to read:

12 **"70-17-203. Covenants that run with land.** (1) Except as provided in 70-1-522 and 70-17-212, every
13 covenant contained in a grant of an estate in real property that is made for the direct benefit of the property or
14 some part of the property then in existence runs with the land.

15 (2) Subsection (1) includes:

16 (a) covenants of warranty, for quiet enjoyment, or for further assurance on the part of the grantor
17 and covenants for the payment of rent or of taxes or assessments upon the land on the part of a grantee;

18 (b) conservation easements pursuant to 76-6-209;

19 (c) a dedication of open space as provided in 76-3-509; and

20 (d) wind easements pursuant to Title 70, chapter 17, part 4; and

21 (e) covenants restricting the sale, lease, or the owner's share of appreciation in equity of
22 residential property to individuals with specific incomes or occupations, the purpose of which is to encourage
23 the long-term affordability and attainability of workforce housing.

24 (3) A covenant for the addition of some new thing to real property or for the direct benefit of some
25 part of the property not then in existence or annexed to the property, when contained in a grant of an estate in
26 the property and made by the covenantor expressly for the covenantor's assigns or to the assigns of the
27 covenantee, runs with the land so far as the assigns mentioned are concerned."

28 - END -