

739 an interest in the property to a purchaser;

740 (b) the property is not subject to further obligation under the private transfer fee
741 obligation; and

742 (c) the private transfer fee obligation is void.

743 (5) A recorded notice of transfer fee covenant that complies with the requirements of
744 this section is valid and effective.

745 (6) (a) A person that is no longer subject to a private transfer fee obligation may seek
746 declaratory relief in court to address any encumbrance on real property owned by the person.

747 (b) Upon a successful claim for declaratory relief, as described in Subsection (6)(a), a
748 court may award the person costs and reasonable attorney fees.

749 Section 15. Section **63H-8-501** is amended to read:

750 **63H-8-501. Definitions.**

751 As used in this part:

752 (1) ~~§~~ **→ (a) ←** ~~§~~ "First-time homebuyer" means an individual who [~~qualifies for assistance~~
under 42

753 ~~U.S.C. Sec. 12852.~~] satisfies:

754 ~~§~~ **→ [(a)] (i) ←** ~~§~~ the three-year requirement described in Section 143(d) of the Internal
755 Revenue

755 Code of 1986, as amended, and any corresponding federal regulations; and

756 ~~§~~ **→ [(b)] (ii) ←** ~~§~~ requirements made by the corporation by rule, as described in Section
756a 63H-8-502.

756b ~~§~~ **→ (b) "First-time homebuyer" includes a single parent, as defined by the corporation by rule**
756c **made as described in Section 63H-8-502, who would meet the three-year requirement**
756d **described in Subsection (1)(a)(i) but for a present ownership interest in a principal residence:**

756e **(A) with the single parent's former spouse;**

756f **(B) in which the single parent resided while married during the three-year period; and**

756g **(C) in which the single parent no longer resides.** ~~←~~ ~~§~~

757 (2) "Home equity amount" means the difference between:

758 (a) (i) in the case of a sale, the sales price for which the qualifying residential unit is
759 sold by the recipient in a bona fide sale to a third party with no right to repurchase less an
760 amount up to 1% of the sales price used for seller-paid closing costs; or

761 (ii) in the case of a refinance, the current appraised value of the qualifying residential
762 unit; and

763 (b) the total payoff amount of any qualifying mortgage loan that was used to finance