

House Bill 1032

By: Representatives Scott of the 76th, Davis of the 87th, and Schofield of the 63rd

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 3 of Title 44 of the Official Code of Georgia Annotated, relating to
2 regulation of specialized land transactions relative to property, so as to repeal certain
3 provisions for liens on condominiums and lots related to collection of property association
4 fees and assessments; to provide a short title; to make conforming changes related to certain
5 liens; to provide for related matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 This Act shall be known and may be cited as the "Property Owner Rights and Accountability
9 Act."

10 **SECTION 2.**

11 Chapter 3 of Title 44 of the Official Code of Georgia Annotated, relating to regulation of
12 specialized land transactions relative to property, is amended by revising subsection (c) of
13 Code Section 44-3-109, relating to lien for assessments, personal obligation of unit owner,
14 notice and foreclosure, lapse, right to statement of assessments, and effect of failure to
15 furnish statement, as follows:

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16 "(c) Not less than 30 days after notice is sent by certified mail or statutory overnight
17 delivery, return receipt requested, to the unit owner both at the address of the unit and at
18 any other address or addresses which the unit owner may have designated to the association
19 in writing, the lien may be foreclosed by the association by an action, judgment, and
20 foreclosure in the same manner as other liens for the improvement of real property, subject
21 to superior liens or encumbrances, but any such court order for judicial foreclosure shall
22 not affect the rights of holders of superior liens or encumbrances to exercise any rights or
23 powers afforded to them under their security instruments. The notice provided for in this
24 subsection shall specify the amount of the assessments then due and payable together with
25 authorized late charges and the rate of interest accruing thereon. No foreclosure action
26 against a lien arising out of this subsection shall be permitted ~~unless the amount of the lien~~
27 ~~is at least \$2,000.00~~. Unless prohibited by the condominium instruments, the association
28 shall have the power to bid on the unit at any foreclosure sale and to acquire, hold, lease,
29 encumber, and convey the same. The lien for assessments shall lapse and be of no further
30 effect, as to assessments or installments thereof, together with late charges and interest
31 applicable thereto, four years after the assessment or installment first became due and
32 payable."

33

SECTION 3.

34 Said chapter is further amended by revising subsection (c) of Code Section 44-3-232, relating
35 to assessments against lot owners as constituting lien in favor of association, additional
36 charges against lot owners, procedure for foreclosing lien, and obligation to provide
37 statement of amounts due, as follows:

38 "(c) Not less than 30 days after notice is sent by certified mail or statutory overnight
39 delivery, return receipt requested, to the lot owner both at the address of the lot and at any
40 other address or addresses which the lot owner may have designated to the association in
41 writing, the lien may be foreclosed by the association by an action, judgment, and court

42 order for foreclosure in the same manner as other liens for the improvement of real
43 property, subject to superior liens or encumbrances, but any such court order for judicial
44 foreclosure shall not affect the rights of holders of superior liens or encumbrances to
45 exercise any rights or powers afforded to them under their security instruments. The notice
46 provided for in this subsection shall specify the amount of the assessments then due and
47 payable together with authorized late charges and the rate of interest accruing thereon. No
48 foreclosure action against a lien arising out of this subsection shall be permitted ~~unless the~~
49 ~~amount of the lien is at least \$2,000.00.~~ Unless prohibited by the instrument, the
50 association shall have the power to bid on the lot at any foreclosure sale and to acquire,
51 hold, lease, encumber, and convey the same. The lien for assessments shall lapse and be
52 of no further effect, as to assessments or installments thereof, together with late charges
53 and interest applicable thereto, four years after the assessment or installment first became
54 due and payable."

55 **SECTION 4.**

56 All laws and parts of laws in conflict with this Act are repealed.