

House Bill 1287

By: Representatives Bell of the 75th, Clark of the 108th, Washburn of the 144th, Daniel of the 117th, Mughal of the 105th, and others

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 make conforming changes related to certain liens; to provide for
5 related matters; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

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

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

17 foreclosure in the same manner as other liens for the improvement of real property, subject
18 to superior liens or encumbrances, but any such court order for judicial foreclosure shall
19 not affect the rights of holders of superior liens or encumbrances to exercise any rights or
20 powers afforded to them under their security instruments. The notice provided for in this
21 subsection shall specify the amount of the assessments then due and payable together with
22 authorized late charges and the rate of interest accruing thereon. No foreclosure action
23 against a lien arising out of this subsection shall be permitted ~~unless the amount of the lien~~
24 ~~is at least \$2,000.00~~. Unless prohibited by the condominium instruments, the association
25 shall have the power to bid on the unit at any foreclosure sale and to acquire, hold, lease,
26 encumber, and convey the same. The lien for assessments shall lapse and be of no further
27 effect, as to assessments or installments thereof, together with late charges and interest
28 applicable thereto, four years after the assessment or installment first became due and
29 payable."

30

SECTION 2.

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

35 "(c) Not less than 30 days after notice is sent by certified mail or statutory overnight
36 delivery, return receipt requested, to the lot owner both at the address of the lot and at any
37 other address or addresses which the lot owner may have designated to the association in
38 writing, the lien may be foreclosed by the association by an action, judgment, and court
39 order for foreclosure in the same manner as other liens for the improvement of real
40 property, subject to superior liens or encumbrances, but any such court order for judicial
41 foreclosure shall not affect the rights of holders of superior liens or encumbrances to
42 exercise any rights or powers afforded to them under their security instruments. The notice

43 provided for in this subsection shall specify the amount of the assessments then due and
44 payable together with authorized late charges and the rate of interest accruing thereon. No
45 foreclosure action against a lien arising out of this subsection shall be permitted ~~unless the~~
46 ~~amount of the lien is at least \$2,000.00.~~ Unless prohibited by the instrument, the
47 association shall have the power to bid on the lot at any foreclosure sale and to acquire,
48 hold, lease, encumber, and convey the same. The lien for assessments shall lapse and be
49 of no further effect, as to assessments or installments thereof, together with late charges
50 and interest applicable thereto, four years after the assessment or installment first became
51 due and payable."

52 **SECTION 3.**

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