

The House Committee on Judiciary offers the following substitute to HB 301:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 13 of Title 9 of the Official Code of Georgia Annotated, relating to
2 executions and judicial sales, so as to provide for limitation of damages in civil actions by
3 purchasers for property sold in certain judicial and certain nonjudicial sales that are later
4 rescinded; to provide for related matters; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

6 **SECTION 1.**

7 Chapter 13 of Title 9 of the Official Code of Georgia Annotated, relating to executions and
8 judicial sales, is amended by inserting a new Code section to be designated Code Section
9 9-13-172.1 to read as follows:

10 "9-13-172.1.

11 (a) As used in this Code section, 'eligible sale' means a judicial or nonjudicial sale that was
12 conducted in the usual manner of a sheriff's sale and that was rescinded by the seller
13 within 30 days after the sale but before the deed or deed under power has been delivered
14 to the purchaser.

15 (b) Upon rescission of an eligible sale, the seller shall return to the purchaser, within five
16 days of the rescission, all bid funds paid by the purchaser.

17 (c) Where the eligible sale was rescinded due to an automatic stay pursuant to the filing
18 of bankruptcy by a person with an interest in the property, the damages that may be
19 awarded to the purchaser in any civil action shall be limited to the amount of the bid funds
20 tendered at the sale.

21 (d) Where the eligible sale was rescinded due to:

22 (1) The statutory requirements for the sale not being fulfilled;

23 (2) The default leading to the sale being cured prior to the sale; or

24 (3) The plaintiff in execution and the defendant in execution having agreed prior to the
25 sale to cancel the sale based upon an enforceable promise by the defendant to cure the
26 default,

1 the damages that may be awarded to the purchaser in any civil action shall be limited solely
2 to the amount of the bid funds tendered at the sale plus interest on the funds at the rate of
3 18 percent annually, calculated daily. Notwithstanding any other provision of law, specific
4 performance shall not be a remedy available under this Code section."

5 **SECTION 2.**

6 All laws and parts of laws in conflict with this Act are repealed.