

House Bill 422

By: Representative Willard of the 49th

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, so as to provide a minimum amount for liens; to
3 provide for related matters; to repeal conflicting laws; and for other purposes.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

5 style="text-align:center">**SECTION 1.**

6 Chapter 3 of Title 44 of the Official Code of Georgia Annotated, relating to regulation of
7 specialized land transactions, is amended by revising subsection (c) of Code Section
8 44-3-109, relating to liens for assessments and foreclosure, as follows:

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

SECTION 2.

Said chapter is further amended by revising subsection (c) of Code Section 44-3-232, relating to liens for assessments and foreclosures, as follows:

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

SECTION 3.

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