

House Bill 527

By: Representatives Johnson of the 37th, Yates of the 73rd, Thomas of the 100th, Crawford of the 16th, Floyd of the 99th, and others

A BILL TO BE ENTITLED
AN ACT

1 To amend Part 1 of Article 7 of Chapter 14 of Title 44 of the Official Code of Georgia
2 Annotated, relating to general provisions relative to foreclosure, so as to provide penalties
3 for foreclosures in violation of the federal Servicemembers Civil Relief Act; to provide for
4 compensation for the foreclosed property at fair market value; to provide for damages; to
5 provide for legal fees; to repeal conflicting laws; and for other purposes.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

7 **SECTION 1.**

8 Part 1 of Article 7 of Chapter 14 of Title 44 of the Official Code of Georgia Annotated,
9 relating to general provisions relative to foreclosure, is amended by adding a new Code
10 section to read as follows:

11 "44-14-166.

12 Any lender which forecloses on residential real property in violation of Section 303 of the
13 federal Servicemembers Civil Relief Act, 50 U.S.C App. Section 533, shall be subject to
14 the following provisions:

15 (1) If the property has not been sold at the time of the resolution of an action filed to
16 enforce this Code section in favor of the service member, the lender shall return the
17 property to the service member;

18 (2) If the property has been sold at the time of the resolution of an action filed to enforce
19 this Code section in favor of the service member, the lender shall pay to the service
20 member the fair market value of the property at the time the loan was executed or at the
21 time of the foreclosure sale, whichever amount is higher, as determined by the court;

22 (2) The lender shall pay all damages directly related to the wrongful foreclosure, as
23 determined by the court; and

24 (3) The lender shall pay the service member's reasonable attorney's fees."

25

SECTION 2.

26 All laws and parts of laws in conflict with this Act are repealed.