

House Bill 781

By: Representatives Kendrick of the 94<sup>th</sup>, Stephenson of the 92<sup>nd</sup>, Mitchell of the 88<sup>th</sup>, Beverly of the 139<sup>th</sup>, Holcomb of the 82<sup>nd</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Article 7 of Chapter 14 of Title 44 of the Official Code of Georgia Annotated,  
2 relating to foreclosure, so as to provide that after December 31, 2012, any document or  
3 instrument made for the purpose of securing the payment of money for real property shall  
4 be deemed to be a mortgage; to provide that a court shall not enter a deficiency decree; to  
5 provide that no law suit to recover deficiency shall be maintained; to provide for related  
6 matters; to provide an effective date; to repeal conflicting laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

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

12 "44-14-166.

13 All conveyances, obligations, bills of sale, and other instruments of writing executed on or  
14 after January 1, 2013, that convey or sell real property with the intention of securing the  
15 payment of money, whether such instrument is from the debtor to the creditor or from the  
16 debtor to a third person in trust for the creditor, shall be deemed to be mortgages and shall  
17 be subject to all provisions of law relating to mortgages. No such instrument executed on  
18 or after January 1, 2013, shall be foreclosed through any procedure other than those  
19 governed by the provisions governing the foreclosure of mortgages. Nothing in this Code  
20 section shall be construed so as to impair any contract entered into prior to January 1,  
21 2013."

22 **SECTION 2.**

23 Said article is further amended in Part 2, relating to foreclosure on mortgages, by adding a  
24 new Code section to read as follows:

25 "44-14-192.

26 In all suits for the foreclosure of mortgages executed on or after January 1, 2013, the court  
27 shall not enter a deficiency decree for any portion of any deficiency, if one exists. No suit  
28 to recover any such deficiency shall be maintained against the mortgagor or his or her heirs  
29 or assigns."

30 **SECTION 3.**

31 This Act shall become effective on December 31, 2012.

32 **SECTION 4.**

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