

House Bill 502

By: Representative Coomer of the 14th

A BILL TO BE ENTITLED
AN ACT

1 To amend Article 6 of Chapter 3 of Title 44 of the Official Code of Georgia Annotated,
2 relating to property owners' associations, so as to provide that mortgage holders shall pay up
3 to six months of unpaid property association fees on a property upon foreclosure; to provide
4 for related matters; to repeal conflicting laws; and for other purposes.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

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

7 Article 6 of Chapter 3 of Title 44 of the Official Code of Georgia Annotated, relating to
8 property owners' associations, is amended by revising subsection (d) of Code Section
9 44-3-225, relating to liability for unpaid assessments, as follows:

10 "(d) In the event that the holder of a first priority mortgage or secondary purchase money
11 mortgage of record, provided that neither the grantee nor any successor grantee on the
12 secondary purchase money mortgage is the seller of the lot, or in the event that any other
13 person acquires title to any lot as a result of foreclosure of any such mortgage, such holder
14 or other person and his or her successors, successors-in-title, and assigns shall not be liable
15 for nor shall the lot be subject to any lien for assessments under this Code section or under
16 any instrument chargeable to the lot on account of any period prior to the acquisition of
17 title; provided, however, that the unpaid share of an assessment or assessments shall be
18 deemed to be a common expense collectable from all of the lot owners, including such
19 holder or other person and his or her successors, successors-in-title, and assigns. For
20 mortgages entered into on or after July 1, 2013, the holder of a first priority mortgage who
21 acquires title to any lots as a result of foreclosure of such mortgage shall be liable for up
22 to six months of unpaid assessments or an amount equal to the pro rata share of six months
23 of unpaid assessments."

24 style="text-align:center">**SECTION 2.**

25 All laws and parts of laws in conflict with this Act are repealed.