

House Bill 403

By: Representatives Bell of the 75<sup>th</sup>, Olaleye of the 59<sup>th</sup>, Davis of the 87<sup>th</sup>, Scott of the 76<sup>th</sup>, Frye of the 122<sup>nd</sup>, and others

A BILL TO BE ENTITLED  
AN ACT

1 To amend Title 44 of the Official Code of Georgia Annotated, relating to property, so as to  
2 enhance protections for homeowners and tenants by revising or repealing certain provisions  
3 inhibiting housing stability; to repeal certain provisions allowing for liens on condominiums  
4 and lots in relation to collection of property association fees and assessments; to make  
5 conforming changes related to certain liens; to void certain conveyances of single-family  
6 dwellings, including town homes, to real estate investment trusts; to repeal the prohibition  
7 on local governments regulating the amount of rent to be charged for privately owned,  
8 single-family or multiple-unit residential rental property; to prohibit certain nonjudicial  
9 foreclosures on mortgages on real estate; to provide for definitions; to provide for related  
10 matters; to provide for an effective date and applicability; to repeal conflicting laws; and for  
11 other purposes.

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

13 **SECTION 1.**

14 Title 44 of the Official Code of Georgia Annotated, relating to property, is amended by  
15 revising subsections (e) and (f) of Code Section 44-3-80, relating to allocation of and liability  
16 for common expenses and how assessments are made relative to condominiums, as follows:

H. B. 403

17 "(e) Unless otherwise provided in the condominium instruments and except as provided  
18 in subsection (f) of this Code section, the grantee in a conveyance of a condominium unit  
19 shall be jointly and severally liable with the grantor thereof for all unpaid assessments  
20 against the latter up to the time of the conveyance without prejudice to the grantee's right  
21 to recover from the grantor the amounts paid by the grantee therefor; provided, however,  
22 that, if the grantor or grantee shall request a statement from the association as provided in  
23 Code Section 44-3-109, such grantee and his or her successors, successors-in-title, and  
24 assigns shall not be liable for ~~nor shall the condominium unit conveyed be subject to a lien~~  
25 for any unpaid assessments against such grantor in excess of any amount set forth in the  
26 statement.

27 (f) In the event that the holder of a first priority mortgage or a secondary purchase money  
28 mortgage of record, provided that neither the grantee nor any successor grantee on the  
29 secondary purchase money mortgage is the seller of the unit, or any other person acquires  
30 title to any condominium unit as a result of foreclosure of any such mortgage, such holder  
31 or other person and successors, successors-in-title, and assigns shall not be liable for ~~nor~~  
32 ~~shall the condominium unit be subject to a lien~~ for any assessment under this Code section  
33 or under any condominium instrument chargeable to the condominium unit on account of  
34 any period prior to the acquisition of title; provided, however, that the unpaid share of an  
35 assessment or assessments shall be deemed to be common expenses collectable from all  
36 of the unit owners, including such holder or other person and successors,  
37 successors-in-title, and assigns."

38 **SECTION 2.**

39 Said title is further amended by revising Code Section 44-3-109, relating to lien for  
40 assessments, personal obligation of unit owner, notice and foreclosure, lapse, right to  
41 statement of assessments, and effect of failure to furnish statement relative to condominiums,  
42 as follows:

43 "44-3-109.

44 (a) All sums lawfully assessed by the association against any unit owner or condominium  
45 unit, whether for the share of the common expenses pertaining to that condominium unit,  
46 for fines, or otherwise, and all reasonable charges made to any unit owner or condominium  
47 unit for materials furnished or services rendered by the association at the owner's request  
48 to or on behalf of the unit owner or condominium unit, shall, from the time the same  
49 become due and payable, be the personal obligation of the unit owner and constitute a lien  
50 in favor of the association on the condominium unit ~~prior and superior to all other liens~~  
51 ~~whatsoever except.~~

52 (a.1) The superiority of liens on a condominium unit shall be in the following order:

- 53 (1) Liens for ad valorem taxes on the condominium unit;
- 54 (2) The lien of any first priority mortgage covering the unit and the lien of any mortgage  
55 recorded prior to the recording of the declaration;
- 56 (3) The lessor's lien provided for in Code Section 44-3-86; and
- 57 (4) The lien of any secondary purchase money mortgage covering the unit, provided that  
58 neither the grantee nor any successor grantee on the mortgage is the seller of the unit.
- 59 ~~The recording of the declaration pursuant to this article shall constitute record notice of the~~  
60 ~~existence of the lien, and no further recordation of any claim of lien for assessments shall~~  
61 ~~be required.~~

62 (b) To the extent that the condominium instruments provide, the personal obligation of the  
63 unit owner ~~and the lien for assessments~~ shall also include:

- 64 (1) A late or delinquency charge not in excess of the greater of \$10.00 or 10 percent of  
65 the amount of each assessment or installment thereof not paid when due;
- 66 (2) At a rate not in excess of 10 percent per annum, interest on each assessment or  
67 installment thereof and any delinquency or late charge pertaining thereto from the date  
68 the same was first due and payable;

69 (3) The costs of collection, including court costs, the expenses of sale, any expenses  
70 required for the protection and preservation of the unit, and reasonable attorney's fees  
71 actually incurred; and

72 (4) The fair rental value of the condominium unit from the time of the institution of an  
73 action until the sale of the condominium at foreclosure or until the judgment rendered in  
74 the action is otherwise satisfied.

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

92 (d) Any unit owner, mortgagee of a unit, person having executed a contract for the  
93 purchase of a condominium unit, or lender considering the loan of funds to be secured by  
94 a condominium unit shall be entitled upon request to a statement from the association or  
95 its management agent setting forth the amount of assessments past due and unpaid together

96 with late charges and interest applicable thereto against that condominium unit. Such  
97 request shall be in writing, shall be delivered to the registered office of the association, and  
98 shall state an address to which the statement is to be directed. ~~Failure on the part of the~~  
99 ~~association to mail or otherwise furnish such statement regarding amounts due and payable~~  
100 ~~at the expiration of such five-day period with respect to the condominium unit involved to~~  
101 ~~such address as may be specified in the written request therefor within five business days~~  
102 ~~from the receipt of such request shall cause the lien for assessments created by this Code~~  
103 ~~section to be extinguished and of no further force or effect as to the title or interest acquired~~  
104 ~~by the purchaser or lender, if any, as the case may be, and their respective successors and~~  
105 ~~assigns, in the transaction contemplated in connection with such request. The information~~  
106 ~~specified in such statement shall be binding upon the association and upon every unit~~  
107 ~~owner. Payment of a fee not exceeding \$10.00 may be required as a prerequisite to the~~  
108 ~~issuance of such a statement if the condominium instruments so provided.~~

109 ~~(e) Nothing in this Code section shall be construed to prohibit actions maintainable~~  
110 ~~pursuant to Code Section 44-3-76 to recover sums for which subsection (a) of this Code~~  
111 ~~section creates a lien."~~

### 112 SECTION 3.

113 Said title is further amended by revising subsections (e), (f), and (h) of Code  
114 Section 44-3-117, relating to application to subcondominiums, creation of subcondominium,  
115 subassociation, insurance, effect of certain liens, eminent domain, description of certain  
116 units, and assessments, as follows:

117 "(e) All sums lawfully assessed by a master association against a subassociation shall have  
118 the same effect as provided in subsection (a) of Code Section 44-3-109.

119 ~~The recording of the declaration for a subcondominium pursuant to this article shall~~  
120 ~~constitute record notice of the existence of the lien, and no further recordation of any claim~~  
121 ~~of lien for assessments shall be required.~~

122 (f) ~~In the event any lien becomes effective against a subunit as provided in subsection (e)~~  
123 ~~of this Code section, the subassociation may remove that lien from the subunits by:~~

124 (1) ~~The payment of the amount attributable to the subunits, or~~

125 (2) ~~Bonding of the amount assessed against the subassociation~~

126 ~~or any subunit owner may remove that lien from his or her subunit by the payment of the~~  
127 ~~amount attributable to his or her subunit. The amount shall be computed by reference to~~  
128 ~~the liability for common expenses pertaining to that condominium unit pursuant to~~  
129 ~~subsection (c) of Code Section 44-3-80. Subsequent to the payment, discharge, or other~~  
130 ~~satisfaction of such amount, the subunit owner of that subunit shall be entitled to have that~~  
131 ~~lien released as to his or her subunit in accordance with applicable provisions of law, and~~  
132 ~~notwithstanding anything to the contrary in Code Sections 44-3-80 and 44-3-109, the~~  
133 ~~master association shall not assess or have a valid lien against that subunit for any portion~~  
134 ~~of the common expenses incurred by the master association in connection with that lien.~~

135 Reserved."

136 "(h) Any subunit owner, mortgagee of a subunit, person having executed a contract for the  
137 purchase of a subunit, or lender considering the loan of funds to be secured by a subunit  
138 shall be entitled upon request to a statement from the subassociation or its management  
139 agent setting forth the amount of assessments past due and unpaid together with late  
140 charges and interest applicable owed by the subassociation to the master association. ~~If the~~  
141 ~~subassociation or its management agent states an amount less than the amount actually~~  
142 ~~owed by the subassociation to the master association, the lien created by Code Section~~  
143 ~~44-3-109 for any amounts in excess of the stated amount shall be subordinate to the lien~~  
144 ~~of any first priority mortgage covering the subunit."~~

145 **SECTION 4.**

146 Said title is further amended by revising Code Section 44-3-206, relating to foreclosure by  
147 owner's association, procedure, and effect of sale relative to time-share projects and  
148 programs, as follows:

149 "44-3-206.

150 (a) An owners' association may foreclose its lien upon a time-share estate in accordance  
151 ~~with subsection (c) of Code Section 44-3-109~~ or with Code Section 44-3-207 or may  
152 foreclose its lien under a power of sale that such owners' association shall have under this  
153 Code section in order to sell a time-share estate for the purpose of paying any or all unpaid  
154 assessments and other charges owed by the owner of such time-share estate.

155 (b)(1) In order for an owners' association to foreclose its lien upon a time-share estate  
156 under a power of sale, a notice of sale shall be:

157 (A) Accomplished in writing sent by registered or certified mail or statutory overnight  
158 delivery, return receipt requested, to the property address of the owner most recently  
159 provided to the owners' association no later than 30 days prior to the date of the  
160 proposed sale and shall be deemed given on the official postmark day or the day on  
161 which it is received for delivery by a commercial delivery firm;

162 (B) Provided in writing to any lien holder, sent by registered or certified mail or  
163 statutory overnight delivery, return receipt requested; and

164 (C) Provided by advertising the time, place, and terms of said sale in a newspaper in  
165 which sheriff's advertisements are published in the county where the development is  
166 located, once a week during the four calendar weeks immediately preceding the  
167 calendar week of the date of such sale.

168 (2) Any sale pursuant to this subsection shall occur on a legal sale day within the legal  
169 hours of sale at the legal place of sale in the county where the development is located.

170 (c) A sale undertaken as authorized by this Code section shall divest the owner of all right,  
171 title, interest, and equity that such owner has in or to the time-share estate and shall vest

172 fee simple title to the time-share estate in the purchaser or purchasers at said sale. The  
173 proceeds of said sale shall be applied first in accordance with the lien priorities set forth in  
174 paragraphs (1) through (4) of subsection ~~(a)~~ (a.1) of Code Section 44-3-109, after which  
175 any remaining proceeds shall be applied to the payment in full of such unpaid assessments  
176 and other charges and next to the payment of all expenses actually incurred by the owners'  
177 association in connection with said proceedings, including attorneys' fees, and any  
178 remaining proceeds shall be paid to the owner. The owners' association may bid at said  
179 sale and purchase the time-share estate.

180 (d) For the purpose of carrying out and effectuating the power of sale authorized by this  
181 Code section, the owners' association shall be constituted the true and lawful  
182 attorney-in-fact of such owner to sell such time-share estate, as provided in this Code  
183 section, and convey the same to the purchaser or purchasers at said sale in as full and ample  
184 a manner as such owner could do in person. The power and agency hereby granted are  
185 coupled with an interest and are irrevocable by death or otherwise."

186 **SECTION 5.**

187 Said title is further amended by revising subparagraph (a)(1)(A), paragraph (2) of  
188 subsection (c), paragraph (1) of subsection (d), and paragraphs (2), (4), and (5) of  
189 subsection (e) of Code Section 44-3-207, relating to time-share estates, trustee foreclosures,  
190 and requirements, as follows:

191 "(a)(1)(A) In order to sell a time-share estate for the purpose of paying any or all  
192 unpaid assessments and other charges owed by the owner of such time-share estate, an  
193 owners' association, or its managing agent on behalf of the owner's association, may  
194 foreclose its lien for all assessments and other charges assessed by the owners'  
195 association upon a time-share estate pursuant to the time-share instrument or  
196 subsections (a) and (b) of Code Section 44-3-109, in accordance with:

197 ~~(i) The judicial foreclosure procedure of subsection (c) of Code Section 44-3-109 or~~  
 198 ~~44-3-232, as applicable;~~

199 ~~(ii)(i)~~ The trustee foreclosure procedure under this Code section; or

200 ~~(iii)(ii)~~ The nonjudicial foreclosure procedure under Code Section 44-3-206."

201 "(2) In any trustee foreclosure proceeding, the trustee shall first deliver to the owner of  
 202 the time-share estate a written notice of default sent by registered or certified mail or  
 203 statutory overnight delivery, return receipt requested, to the owner's property address that  
 204 was most recently provided to the owners' association or mortgagee and no later than 30  
 205 days prior to the initiation of the trustee foreclosure procedure. The notice of default  
 206 shall be deemed delivered on the official postmark day or the day on which it is received  
 207 for delivery by a commercial delivery firm. The notice of default shall state:

208 (A) The intent of the owners' association or mortgagee to commence foreclosing on the  
 209 assessment lien or mortgage, after the end of the 30 day period, using the trustee  
 210 foreclosure procedure set forth in this Code section;

211 (B) The address and telephone number of the trustee and owners' association, its  
 212 managing agent, or the mortgagee, as applicable;

213 (C) The legal description of the time-share estate;

214 (D) The nature of the default;

215 (E) The outstanding amounts secured by the assessment lien or mortgage and a per  
 216 diem amount to account for further accrual of such amounts; and

217 (F) The method by which the owner of the time-share estate may cure the default; and

218 ~~(G) The right of the owner of the time-share estate to object to the use of the trustee~~  
 219 ~~foreclosure procedure and require the owners' association or mortgagee to proceed~~  
 220 ~~thereafter only with a judicial foreclosure action as to that specified default by~~  
 221 ~~delivering a written objection to the trustee within 20 days after the delivery date of the~~  
 222 ~~notice."~~

223 "(d)(1) In order for a trustee to sell an encumbered time-share estate foreclosed under this  
224 Code section:

225 (A) The trustee must have provided the written notice of default as required under  
226 paragraph (2) of subsection (c) of this Code section, and a period of at least 30 calendar  
227 days must have elapsed after such notice of default is deemed delivered;

228 ~~(B) The trustee must not have received from the owner of the time-share estate a~~  
229 ~~written objection to the use of the trustee foreclosure procedure prior to the end of the~~  
230 ~~20 day period provided for in the notice of default and the time-share estate was not~~  
231 ~~redeemed under paragraph (3) of subsection (c) of this Code section~~ Reserved;

232 (C) The trustee must have delivered a notice of sale meeting the requirements of  
233 paragraph (4) of this subsection to the owner of the time-share estate, by registered or  
234 certified mail or statutory overnight delivery, return receipt requested, to the property  
235 address of the owner of the time-share estate most recently provided to the owners'  
236 association or mortgagee no later than 30 days prior to the date of the proposed sale and  
237 the notice of sale shall be deemed delivered on the official postmark day or the day on  
238 which it is received for delivery by a commercial delivery firm;

239 (D) The trustee must have delivered a copy of the notice of sale to any junior lien  
240 holder of record by registered or certified mail or statutory overnight delivery, return  
241 receipt requested, no later than 30 days prior to the date of the proposed sale. The  
242 notice of sale shall be deemed delivered on the official postmark day or the day on  
243 which it is received for delivery by a commercial delivery firm;

244 (E) The trustee must have recorded a copy of the notice of sale in the official records  
245 of the county in which the time-share estate is located not less than 30 days prior to the  
246 date of the proposed sale; and

247 (F) The trustee must have published a notice in the legal organ for the county in which  
248 the time-share estate is located, or if there is no newspaper designated as such, then in  
249 the nearest newspaper having the largest general circulation in such county, once a

250 week during the four calendar weeks immediately preceding the calendar week of the  
251 date of such sale. The last of such notices shall be published at least seven calendar  
252 days prior to the date of the sale."

253 "(2) Within ten calendar days after a sale, absent the prior filing and service on the  
254 trustee of a judicial action to enjoin issuance of the trustee foreclosure deed to the  
255 time-share estate, the trustee shall issue a trustee foreclosure deed to the purchaser and  
256 deliver the trustee foreclosure deed to the clerk of the superior court for recording in the  
257 official records of the county in which the time-share estate is located. The trustee  
258 foreclosure deed shall include the name and address of the trustee, the name and address  
259 of the purchaser or purchasers, the name and address of the former owner of the  
260 time-share estate, and a legal description of the time-share estate. The trustee foreclosure  
261 deed shall contain no warranties of title from the trustee. A certificate of compliance  
262 confirming that the notice and publication requirements of this Code section were met,  
263 that the default was not cured, ~~that the trustee did not timely receive any written objection~~  
264 ~~to the trustee foreclosure procedure from the owner of the time-share estate,~~ and that the  
265 time-share estate was not timely redeemed shall be executed by the trustee and attached  
266 as an exhibit to the trustee foreclosure deed."

267 "(4) The proceeds of the trustee foreclosure sale shall be applied first in accordance with  
268 the lien priorities set forth in paragraphs (1) through (4) of subsection ~~(a)~~ (a.1) of Code  
269 Section 44-3-109, after which any remaining proceeds shall be applied to the payment in  
270 full of such unpaid assessments and other charges or mortgage obligations, as applicable,  
271 and next to the payment of all expenses actually incurred by the owners' association in  
272 connection with the trustee foreclosure proceedings, including attorneys' fees. Any  
273 remaining proceeds shall be paid to the prior owner of the time-share estate. The owners'  
274 association or mortgagee, as applicable, may bid at the sale and purchase the time-share  
275 estate and receive a credit up to the amount of unpaid assessments and other charges or  
276 mortgage obligations, as applicable, and all expenses actually incurred by the owners'

277 association or mortgagee, as applicable, in connection with the trustee foreclosure  
 278 proceedings, including attorney's fees.

279 (5) A trustee foreclosure sale releases the prior owner of the time-share estate of liability  
 280 for any and all amounts secured by ~~the assessment~~ a lien or a mortgage, as applicable.  
 281 The owners' association or mortgagee, as applicable, has no right to any deficiency  
 282 judgment against the prior owner of the time-share estate after the completion of the  
 283 trustee foreclosure sale of the time-share estate under this Code section."

284 **SECTION 6.**

285 Said title is further amended by revising subsections (c) and (d) of Code Section 44-3-225,  
 286 relating to assessment of expenses, exemption from liability, and liability for unpaid  
 287 assessments relative to property owners' associations, as follows:

288 "(c) Unless otherwise provided in the instrument and except as provided in subsection (d)  
 289 of this Code section, the grantee in a conveyance of a lot shall be jointly and severally  
 290 liable with the grantor thereof for all unpaid assessments against the latter up to the time  
 291 of the conveyance without prejudice to the grantee's right to recover from the grantor the  
 292 amounts paid by the grantee; provided, however, that if the grantor or grantee shall request  
 293 a statement from the association as provided in subsection (d) of Code Section 44-3-232,  
 294 such grantee and his or her successors, successors-in-title, and assigns shall not be liable  
 295 for ~~nor shall the property owners' association lot conveyed be subject to a lien for any~~  
 296 unpaid assessments against such grantor in excess of any amount set forth in the statement.

297 (d) In the event that the holder of a first priority mortgage or secondary purchase money  
 298 mortgage of record, provided that neither the grantee nor any successor grantee on the  
 299 secondary purchase money mortgage is the seller of the lot, or in the event that any other  
 300 person acquires title to any lot as a result of foreclosure of any such mortgage, such holder  
 301 or other person and his or her successors, successors-in-title, and assigns shall not be liable  
 302 for ~~nor shall the lot be subject to any lien for~~ assessments under this Code section or under

303 any instrument chargeable to the lot on account of any period prior to the acquisition of  
 304 title; provided, however, that the unpaid share of an assessment or assessments shall be  
 305 deemed to be a common expense collectable from all of the lot owners, including such  
 306 holder or other person and his or her successors, successors-in-title, and assigns."

### 307 SECTION 7.

308 Said title is further amended by revising Code Section 44-3-232, relating to assessments  
 309 against lot owners as constituting lien in favor of association, additional charges against lot  
 310 owners, procedure for foreclosing lien, and obligation to provide statement of amounts due  
 311 relating to property owners' associations, as follows:

312 "44-3-232.

313 (a) All sums lawfully assessed by the association against any lot owner or property owners'  
 314 association lot, whether for the share of the common expenses pertaining to that lot, fines,  
 315 or otherwise, and all reasonable charges made to any lot owner or lot for materials  
 316 furnished or services rendered by the association at the owner's request to or on behalf of  
 317 the lot owner or lot, shall, from the time the sums became due and payable, be the personal  
 318 obligation of the lot owner ~~and constitute a lien in favor of the association on the lot prior~~  
 319 ~~and superior to all other liens whatsoever except.~~

320 (a.1) The superiority of liens on a lot owner shall be in the following order:

- 321 (1) Liens for ad valorem taxes on the lot;
- 322 (2) The lien of any first priority mortgage covering the lot and the lien of any mortgage  
 323 recorded prior to the recording of the declaration; or
- 324 (3) The lien of any secondary purchase money mortgage covering the lot, provided that  
 325 neither the grantee nor any successor grantee on the mortgage is the seller of the lot.
- 326 ~~The recording of the declaration pursuant to this article shall constitute record notice of the~~  
 327 ~~existence of the lien, and no further recordation of any claim of lien for assessments shall~~  
 328 ~~be required.~~

329 (b) To the extent that the instrument provides, the personal obligation of the lot owner ~~and~~  
330 ~~the lien for assessments~~ shall also include:

331 (1) A late or delinquency charge not in excess of the greater of \$10.00 or 10 percent of  
332 the amount of each assessment or installment thereof not paid when due;

333 (2) At a rate not in excess of 10 percent per annum, interest on each assessment or  
334 installment thereof and any delinquency or late charge pertaining thereto from the date  
335 the same was first due and payable;

336 (3) The costs of collection, including court costs, the expenses required for the protection  
337 and preservation of the lot, and reasonable attorney's fees actually incurred; and

338 (4) The fair rental value of the lot from the time of the institution of an action until the  
339 sale of the lot at foreclosure or until judgment rendered in the action is otherwise  
340 satisfied.

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

356 ~~and interest applicable thereto, four years after the assessment or installment first became~~  
357 ~~due and payable.~~

358 (d) Any lot owner, mortgagee of a lot, person having executed a contract for the purchase  
359 of a lot, or lender considering the loan of funds to be secured by a lot shall be entitled upon  
360 request to a statement from the association or its management agent setting forth the  
361 amount of assessments past due and unpaid together with late charges and interest  
362 applicable thereto against that lot. Such request shall be in writing, shall be delivered to  
363 the registered office of the association, and shall state an address to which the statement is  
364 to be directed. ~~Failure on the part of the association, within five business days from the~~  
365 ~~receipt of such request, to mail or otherwise furnish such statement regarding amounts due~~  
366 ~~and payable at the expiration of such five-day period with respect to the lot involved to~~  
367 ~~such address as may be specified in the written request therefor shall cause the lien for~~  
368 ~~assessments created by this Code section to be extinguished and of no further force or~~  
369 ~~effect as to the title or interest acquired by the purchaser or lender, if any, as the case may~~  
370 ~~be, and their respective successors and assigns, in the transaction contemplated in~~  
371 ~~connection with such request.~~ The information specified in such statement shall be binding  
372 upon the association and upon every lot owner. Payment of a fee not exceeding \$10.00  
373 may be required as a prerequisite to the issuance of such a statement if the instrument so  
374 provides.

375 ~~(e) Nothing in this Code section shall be construed to prohibit actions maintainable~~  
376 ~~pursuant to Code Section 44-3-223 to recover sums for which subsection (a) of this Code~~  
377 ~~section creates a lien."~~

378 **SECTION 8.**

379 Said title is further amended in Article 2 of Chapter 5, relating to conveyances, by adding a  
380 new Code section to read as follows:

381 "44-5-49.

382 (a) As used in this Code section, the term:

383 (1) 'Real estate investment trust' means an entity in which property is held and managed  
 384 for the benefit and profit of any person who may become a shareholder.

385 (2) 'Single-family dwelling' includes town homes.

386 (b) A deed, security deed, bill of sale to secure debt, or any other conveyance of a  
 387 single-family dwelling or interest in a single-family dwelling to a real estate investment  
 388 trust shall be void if such real estate investment trust holds a number of rental single-family  
 389 dwellings worth a combined total of at least \$30 million or at least 12,000 rental units of  
 390 single-family dwellings in the State of Georgia."

391 **SECTION 9.**

392 Said title is further amended in Article 1 of Chapter 7, relating to landlord and tenant in  
 393 general, by repealing Code Section 44-7-19, relating to restrictions on rent regulation by  
 394 local governments, and designating said Code section as reserved.

395 **SECTION 10.**

396 Said title is further amended in Part 1 of Article 7 of Chapter 14, relating to foreclosure in  
 397 general, by adding a new subsection to Code Section 44-14-162, relating to sales made on  
 398 foreclosure under power of sale, manner of advertisement and conduct necessary for validity,  
 399 and filing, to read as follows:

400 "(c) No sale of real estate under powers contained in mortgages, deeds, or other lien  
 401 contracts shall be valid against a debtor who is:

402 (1) Sixty-five years of age or older; or

403 (2) A ward, as such term is defined in Code Section 29-1-1."

404 **SECTION 11.**

405 Said title is further amended by revising Code Section 44-14-162.1, relating to "debtor"  
406 defined, as follows:

407 "44-14-162.1.

408 As used in Code Sections 44-14-162 and 44-14-162.2 through 44-14-162.4, the term  
409 'debtor' means the grantor of the mortgage, security deed, or other lien contract. In the  
410 event the property encumbered by the mortgage, security deed, or lien contract has been  
411 transferred or conveyed by the original debtor, ~~the term 'debtor'~~ such term shall mean the  
412 current owner of the property encumbered by the debt, if the identity of such owner has  
413 been made known to and acknowledged by the secured creditor prior to the time the  
414 secured creditor is required to give notice pursuant to Code Section 44-14-162.2."

415 **SECTION 12.**

416 (a) This Act shall become effective upon its approval by the Governor or upon its becoming  
417 law without such approval.

418 (b) Section 8 of this Act shall apply to any conveyance of a single-family dwelling or  
419 interest in a single-family dwelling made on or after such date.

420 (c) Sections 10 and 11 of this Act shall apply to mortgages, deeds, or other lien contracts  
421 entered into on or after the effective date of this Act and to any renewals, modifications, or  
422 extensions of such agreements entered into on or after such date.

423 **SECTION 13.**

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