

Senate Bill 580

By: Senators Rahman of the 5th, James of the 28th, Anderson of the 43rd, Jones II of the 22nd, Jackson of the 41st 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 increase the minimum amount required for a foreclosure on a lien on a property under the
3 "Georgia Condominium Act" and the "Georgia Property Owners' Association Act"; to
4 provide 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 Title 44 of the Official Code of Georgia Annotated, relating to property, is amended by
8 revising subsection (c) of Code Section 44-3-109, relating to liens for assessments and
9 foreclosures under the "Georgia Condominium Act," as follows:

10 "(c) Not less than 30 days after notice is sent by certified mail or statutory overnight
11 delivery, return receipt requested, to the unit owner both at the address of the unit and at
12 any other address or addresses which the unit owner may have designated to the association
13 in writing, the lien may be foreclosed by the association by an action, judgment, and
14 foreclosure in the same manner as other liens for the improvement of real property, subject
15 to superior liens or encumbrances, but any such court order for judicial foreclosure shall
16 not affect the rights of holders of superior liens or encumbrances to exercise any rights or

17 powers afforded to them under their security instruments. The notice provided for in this
18 subsection shall specify the amount of the assessments then due and payable together with
19 authorized late charges and the rate of interest accruing thereon. No foreclosure action
20 against a lien arising out of this subsection shall be permitted unless the amount of the lien
21 is at least ~~\$2,000.00~~ \$20,000.00. Unless prohibited by the condominium instruments, the
22 association shall have the power to bid on the unit at any foreclosure sale and to acquire,
23 hold, lease, encumber, and convey the same. The lien for assessments shall lapse and be
24 of no further effect, as to assessments or installments thereof, together with late charges
25 and interest applicable thereto, four years after the assessment or installment first became
26 due and payable."

27 **SECTION 2.**

28 Said title is further amended by revising subsection (c) of Code Section 44-3-232, relating
29 to liens for assessments and foreclosures under the "Georgia Property Owners' Association
30 Act," as follows:

31 "(c) Not less than 30 days after notice is sent by certified mail or statutory overnight
32 delivery, return receipt requested, to the lot owner both at the address of the lot and at any
33 other address or addresses which the lot owner may have designated to the association in
34 writing, the lien may be foreclosed by the association by an action, judgment, and court
35 order for foreclosure in the same manner as other liens for the improvement of real
36 property, subject to superior liens or encumbrances, but any such court order for judicial
37 foreclosure shall not affect the rights of holders of superior liens or encumbrances to
38 exercise any rights or powers afforded to them under their security instruments. The notice
39 provided for in this subsection shall specify the amount of the assessments then due and
40 payable together with authorized late charges and the rate of interest accruing thereon. No
41 foreclosure action against a lien arising out of this subsection shall be permitted unless the
42 amount of the lien is at least ~~\$2,000.00~~ \$20,000.00. Unless prohibited by the instrument,

43 the association shall have the power to bid on the lot at any foreclosure sale and to acquire,
44 hold, lease, encumber, and convey the same. The lien for assessments shall lapse and be
45 of no further effect, as to assessments or installments thereof, together with late charges
46 and interest applicable thereto, four years after the assessment or installment first became
47 due and payable."

48 **SECTION 3.**

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