

March 24, 2009

**S 850. LIENS/CONDOMINIUMS AND PLANNED COMMUNITIES.** Filed 3/24/09. *TO STABILIZE TITLES AND TO PROVIDE A UNIFORM PROCEDURE TO ENFORCE LIENS FOR CONDOMINIUM AND PLANNED COMMUNITY ASSOCIATION ASSESSMENTS.*

To be summarized in tomorrow's *Daily Bulletin*.

**Intro. by Vaughan.**

GS 47C, 47F

March 25, 2009

**S 850. LIENS/CONDOMINIUMS AND PLANNED COMMUNITIES.** Filed 3/24/09. *TO STABILIZE TITLES AND TO PROVIDE A UNIFORM PROCEDURE TO ENFORCE LIENS FOR CONDOMINIUM AND PLANNED COMMUNITY ASSOCIATION ASSESSMENTS.*

GS 47C-3-116 provides that unpaid assessments on condominium units constitute a lien and the lien may be foreclosed in the way that a mortgage is foreclosed under Article 2A of GS Chapter 45. This bill adds a new GS 47C-3-116(a3) setting out specific procedures to be followed in the nonjudicial foreclosure of a condominium assessment lien. The new procedures specify notice to the unit owner, appointment of a trustee to conduct the foreclosure (with the appointment to be filed with the register of deeds and the clerk of superior court), cancellation of the lien upon payment of the assessment and all costs (including the trustee's fee) by the unit owner, power of the condominium association to bid on and acquire the unit, and payment of a reasonable fee to the trustee.

GS 47F-3-116 similarly provides that unpaid assessments on lots in planned communities under the North Carolina Planned Community Act constitute liens and may be foreclosed. This bill adds a new GS 47F-3-116 with provisions substantially identical to those described above.

This bill adds new GS 47C-3-123 and GS 47F-3-123 providing that nonjudicial foreclosures and sales by condominium associations and planned community associations consummated before October 1, 2009, under GS Chapter 47C or 47F or provisions in the declarations of the condominium ownership or the planned community are declared valid unless an action to set them aside is commenced within one year of that date.

Effective October 1, 2009.

**Intro. by Vaughan.**

GS 47C, 47F