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HOUSE BILL NO. 2080

Offered January 14, 2015

Prefiled January 14, 2015

A BILL to amend and reenact § 15.2-979 of the Code of Virginia and to amend the Code of Virginia by adding sections numbered 55-79.84:01 and 55-516.01, relating to the Condominium Act and the Property Owners' Association Act; notice of sale under deed of trust.

Patrons—Leftwich and Simon

Referred to Committee for Courts of Justice

Be it enacted by the General Assembly of Virginia:

1. That § 15.2-979 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding sections numbered 55-79.84:01 and 55-516.01 as follows:

§ 15.2-979. Notice of sale under deed of trust.

A. Notice shall be given to the chief administrative officer or designee of a locality and, if the property is located in a common interest community as defined in § 55-528, to the common interest community association, when residential property located within that locality or common interest community becomes subject to a sale under a deed of trust.

B. The notice required by this section shall:

1. Be made by the trustee or any substitute trustee authorized to conduct the sale under the deed of trust;

2. Be given no later than 60 days after the sale of the residential property under the deed of trust;

3. Include (i) the street address of the residential property, (ii) the name of all property owners whose ownership was subject to the deed of trust, (iii) the name and contact information, including telephone number, of the person filing the notice, and (iv) the name and address of all owners holding the property as a result of the sale.

C. For residential properties described in subsection A, if the mortgage loan secured by the deed of trust has been registered with a national mortgage loan electronic registration system to which the locality has access and which registry includes a unique mortgage identification number specific to the loan and which number is tied to the name of the borrower, the street address of the property, and contact information consisting of the name, telephone number, and electronic address, if any, of the current mortgage lender or mortgage loan service provider and of the current property preservation contact, then the person authorized to conduct the sale under the deed of trust shall not have to give the locality the notice described in this section and shall be deemed to have complied with any such ordinance.

D. For purposes of this section, "residential property" means single-family detached dwellings, single-family attached dwellings, ~~and~~ individual residential condominium units, *and individual residential lots located in a development subject to the Property Owners' Association Act (§ 55-508 et seq.)*.

§ 55-79.84:01. Notice of sale under deed of trust.

In accordance with the provisions of § 15.2-979, the unit owners' association shall be given notice whenever a condominium unit becomes subject to a sale under a deed of trust. Upon receipt of such notice, the executive organ, on behalf of the unit owners' association, shall exercise whatever due diligence it deems necessary with respect to the unit subject to a sale under a deed of trust to protect the interests of the unit owners' association.

§ 55-516.01. Notice of sale under deed of trust.

In accordance with the provisions of § 15.2-979, the association shall be given notice whenever a lot becomes subject to a sale under a deed of trust. Upon receipt of such notice, the board of directors, on behalf of the association, shall exercise whatever due diligence it deems necessary with respect to the lot subject to a sale under a deed of trust to protect the interests of the association.