**A** **BILL**

TO AMEND CHAPTER 15, TITLE 29 OF THE 1976 CODE OF LAWS, BY ADDING SECTION 29‑15‑15, TO PROVIDE THAT CERTAIN LIENS OBTAINED BY A HOMEOWNERS’ ASSOCIATION AGAINST REAL PROPERTY ARE SUPERIOR TO CLAIMS OF OTHER CREDITORS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Chapter 15, Title 29 of the 1976 Code is amended by adding:

“Section 29‑15‑15. (A) A judgment lien obtained by a homeowners’ association against real property subject to the association’s covenants or other governing agreement is:

(1) superior to all claims of creditors against the property if the judgment lien arose from an unsatisfied assessment or other obligation of the property owner to the association under the association’s covenants; and

(2) appurtenant to the subject real property.

(B) Proceeds from the property’s sale first must be used to satisfy the association’s judgment lien. Remaining funds may be used to satisfy other liens against the property based on priority.

(C) A judgment lien under this section is enforceable when recorded in the county where the property is situated.”

SECTION 2. This act takes effect upon approval by the Governor.

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