

Bond Case Briefs

Municipal Finance Law Since 1971

EMINENT DOMAIN - GEORGIA

HBC2018 LLC v. Paulding County School District

Court of Appeals of Georgia - December 21, 2020 - S.E.2d - 2020 WL 7488624

Lender filed a claim for inverse condemnation against school district, seeking to collect loan for construction of field house building.

Parties filed cross motions for summary judgment.

The Superior Court granted summary judgment in favor of school district, and lender appealed.

The Court of Appeals held that lender had no property interest in repayment of loan.

Lender had no property interest in repayment of loan used to construct field house building, as required for takings claim against school district seeking to collect loan obtained by booster club president to construct field house; although school district made gratuitous payments toward balance of loan, lender issued loan to booster club, which assumed responsibility for repayment of loan, lender did not provide materials or expend labor for construction of field house, there was no evidence that school's use of field house frustrated lender's right to seek repayment of debt, lender secured a default judgment against obligor on loan and released guarantors, and school district was not a party to loan agreement and was under no legal obligation to repay lender.