

Southwest Recovery Services · Compliance & Legal Reference Series

WHITE PAPER

Georgia Property-Management Debt Collection: Statute of Limitations, Documentation Standards, and Placement-Acceptance Framework

A practitioner's guide to legal constraints, liquidation benchmarks, FDCPA/Reg F compliance, and the Tier A/B/C acceptance standard for undocumented Georgia tenant-debt placements.

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Jurisdiction: State of Georgia (O.C.G.A.; Georgia FBPA; FDCPA; Reg F; FCRA)

Classification: Internal Reference / Client Advisory

This document is prepared for the internal use of Southwest Recovery Services, LLC and its clients. It does not constitute legal advice. Georgia statutes and cases cited should be confirmed with qualified Georgia collections counsel before adopting client-facing policy.

Executive Summary

KEY FINDING

CONDITIONAL ACCEPT — Pre-Legal Only.

Undocumented Georgia residential property-management debt is a low-recovery, elevated-risk product. Realistic net liquidation is 4–12% of placed dollars — materially below the ~15–20% baseline the National Apartment Association (NAA) reports for third-party agency recovery on documented rental debt. The recommendation is to work it pre-legal only, on a documents-or-it-doesn't-escalate basis, with no credit reporting and no litigation absent a cured file.

The documentation gap creates two simultaneous problems:

- It depresses voluntary recovery — no lease or ledger means weaker debt validation, weaker credit-reporting posture, and easy debtor disputes.
- It strips the ability to litigate — without a signed lease, the claim falls from Georgia's 6-year written-contract SOL (O.C.G.A. § 9-3-24) to the 4-year open-account SOL (§ 9-3-25), and Georgia courts routinely reject undocumented balances at summary judgment.

FEDERAL COMPLIANCE RISK

FDCPA, Reg F, and FCRA exposure is concentrated and real.

Without an itemized ledger, a compliant Regulation F validation notice (12 CFR § 1006.34) cannot be reliably generated. Furnishing or suing on an unverifiable balance invites FDCPA § 1692e/§ 1692f and FCRA § 1681s-2 exposure. The CFPB's 2023 and 2024 FDCPA Annual Reports have specifically flagged rental-debt collection as a priority enforcement area.

This white paper covers:

- Baseline liquidation benchmarks and how documentation status affects recovery rate.
- Georgia's SOL framework (written contract vs. open account) and its impact on placement strategy.
- Georgia summary-judgment evidentiary requirements (Nyankojo; Wirth).
- Dispossessory money-judgment vs. writ-only distinctions — a critical distinction for collectability.
- Post-Strickland v. Alexander garnishment mechanics.
- FDCPA, Reg F, and FCRA exposure analysis for undocumented placements.
- The Tier A/B/C placement-acceptance standard — a documentation-gated framework for structuring client agreements and acceptance decisions.

1. Liquidation Benchmarks: What the Data Actually Shows

No published, rental-specific liquidation statistic exists that breaks out recovery rates by documentation status. The ranges in this paper are triangulated from three data sources, each labeled by confidence level.

1.1 National Apartment Association Baseline

The NAA's white paper Multifamily Debt Collections: Best Practices for Owners and Managers (2019) is the best rental-specific published source. Key figures:

- National agency recovery: 20% to 15% for standard market-rate rental debt.
- "Lower than 10%" for affordable housing, housing authorities, and poverty submarkets.
- NAA names documentation quality as one of the primary recovery drivers — along with consumer credit quality, average balance, geography, damage policies, and account age.
- NAA reports (quoting ACA International): "For every 30 days an account remains unworked, the amount due is 16% less likely to be collected."

1.2 The Documentation Multiplier

The NAA's most directly relevant finding: agencies "typically recover up to three times better from prior residents who have provided all necessary information (Social Security number, date of birth, driver's license) than from those who haven't." This is the closest published proxy for the documentation penalty.

PLANNING BENCHMARK

Undocumented files should be underwritten at a discount of 40–60% to the documented baseline.

Documented Georgia PM debt: ~15–20% net liquidation. Undocumented Georgia PM debt (blended): ~4–12%. For files over 12 months old AND undocumented: ~1–5%. These are planning estimates, not audited figures — no rental-specific undocumented statistic is published.

1.3 Age-at-Placement Decay

Multiple industry sources confirm a steep decay curve by account age at placement (general collections; not rental-specific):

AGE AT PLACEMENT	DOCUMENTED RECOVERY (EST.)	UNDOCUMENTED RECOVERY (EST.)	CONFIDENCE
0–3 months	25–35%	12–20%	Moderate — anchored to NAA fresh/low-balance
3–6 months	18–25%	8–14%	Moderate
6–12 months	12–18%	5–10%	Moderate
12–24 months	7–12%	3–7%	Moderate

AGE AT PLACEMENT	DOCUMENTED RECOVERY (EST.)	UNDOCUMENTED RECOVERY (EST.)	CONFIDENCE
24+ months	3–8%	1–4%	Low — highly age-dependent

COMPOUNDING DECAY RULE**Old + undocumented is multiplicatively worse — not additive.**

Because (1) recovery decays ~16% per 30 unworked days and (2) the 4-year open-account SOL is shorter than the 6-year written-contract SOL, an undocumented file older than 4 years is effectively pre-legal-only AND time-barred from suit — near-worthless for litigation and high-risk to furnish. Recommend declining or heavily discounting undocumented files older than ~3 years.

2. Georgia Statute of Limitations Framework

CRITICAL LEGAL CONSTRAINT

No signed written lease = no 6-year SOL.

The single most important legal fact in this analysis: without a signed written lease, the claim drops from Georgia's 6-year written-contract SOL (O.C.G.A. § 9-3-24) into the 4-year open-account SOL (§ 9-3-25). Many undocumented placements are already time-barred.

2.1 Written Contract vs. Open Account (O.C.G.A. §§ 9-3-24 / 9-3-25)

Georgia distinguishes two SOL categories that are decisive in property-management debt:

CLAIM TYPE	SOL	DOCUMENTATION REQUIRED	LITIGATION RISK
Written contract (signed lease)	6 years (O.C.G.A. § 9-3-24)	Signed lease + addenda	Lower — can establish duty and amount
Open account / implied contract	4 years (O.C.G.A. § 9-3-25)	Account ledger only	Higher — amount disputes; no fee authorization
Prior money judgment	7 years, renewable (O.C.G.A. § 9-12-60)	Certified judgment copy	Lowest — judgment is self-proving

2.2 The Money Judgment vs. Writ-Only Distinction

A prior dispossessory proceeding changes the collectability calculus — but only if it produced a money judgment:

- **HIGH VALUE:** Dispossessory + Personal Money Judgment: Converts the debt to a 7-year, renewable judgment (O.C.G.A. § 9-12-60). Garnishment-ready under O.C.G.A. § 18-4-5 (post-Strickland v. Alexander). This is the highest-value file type.
- **LOW VALUE:** Dispossessory + Writ of Possession Only: Does NOT create a collectible money judgment. A writ of possession is a right to reclaim the property — not a personal monetary obligation enforceable by garnishment.

Action required for each placement: Confirm whether any prior dispossessory action produced a money judgment (with specific dollar amount and judgment date) or only a writ of possession.

2.3 Tolling and Discovery Issues

Georgia's SOL begins to run from the date of the last payment or date the debt became due. For tenant debt:

- Last month's unpaid rent: typically SOL begins the day rent was due.
- Damage charges: SOL typically runs from the lease-end date when damages became ascertainable.
- Late fees: SOL runs separately for each fee, creating a potential stacking problem for older files.

3. Georgia Evidentiary Standards: Summary Judgment and Business Records

Even when the SOL has not run, Georgia courts present a high evidentiary bar for undocumented collection claims. Two cases define the landscape:

3.1 Nyankojo v. North Star Capital Acquisition, 298 Ga. App. 6 (2009)

The court held that a collection agency's affidavit reciting an account balance — without the underlying credit-card account agreement and account statements as authenticated business records — was insufficient to establish a prima facie case at summary judgment. The affidavit was inadmissible hearsay under O.C.G.A. § 24-8-803(6) (the business-records exception), because the affiant lacked personal knowledge of the original account records.

NYANKOJO TAKEAWAY

An affidavit alone does not substitute for authenticated business records.

For property-management debt: a property manager's affidavit asserting "tenant owes \$X" without a signed lease, itemized rent roll, and SODA (Statement of Deposit Account) will fail at summary judgment under the same logic. The original business records — not a summary affidavit — must be produced and authenticated.

3.2 Wirth v. Cach, LLC, 300 Ga. App. 488 (2009)

A debt buyer's affidavit failed at summary judgment where the affiant's knowledge was based on data imported into the buyer's internal system, not the original creditor's records. The court found no proper foundation for the business-records hearsay exception.

These cases are consistently reaffirmed. The practical consequence for undocumented PM placements: litigation is not a viable collection strategy without the original signed lease, itemized ledger, and SODA authenticated by a records custodian.

3.3 Practical Evidentiary Package for Summary Judgment

To survive summary judgment in a Georgia tenant-debt action, the collection plaintiff needs:

- Signed lease and all addenda (establishes duty, fee authorization, and written-contract SOL).
- Itemized rent roll / ledger with rent charged, late fees, credits, and deposit application.
- Final Account / Statement of Deposit Account (SODA) with an itemization date.
- Move-in and move-out inspection reports + dated photos + repair invoices for damage claims.
- Notice to vacate or lease-termination documentation.
- Dispossessory filing and resulting judgment (money judgment, not writ-only).
- Authenticating affidavit from a records custodian with personal knowledge of the original records.

4. Federal Compliance: FDCPA, Regulation F, and FCRA

Georgia requires no collection-agency license or bond for third-party agencies (subject to narrow cash-handling agent bond provisions under O.C.G.A. § 10-6-100). However, the FDCPA, Reg F, FCRA, and Georgia's Fair Business Practices Act (O.C.G.A. § 10-1-390 et seq.) all apply and each creates distinct exposure for undocumented placements.

4.1 FDCPA Exposure

PROVISION	RISK FOR UNDOCUMENTED FILES	SEVERITY
§ 1692e(2)(A) — Misrepresentation of amount/status	Balance you cannot substantiate is a misrepresentation risk on every dunning contact.	HIGH
§ 1692f(1) — Unauthorized charges	Late fees, lease-break fees, and damage charges must be authorized by the (missing) lease. Collector bears the burden of producing the agreement.	HIGH
§ 1692g — Validation/Verification	At first dispute: must verify. With no documents, the file effectively dies at first dispute. Collection must cease until verification.	HIGH
§ 1006.30(b) Reg F — Time-barred debt	Prohibits suing or threatening suit on SOL-expired debt. Directly relevant given the 4-year open-account SOL.	HIGH

4.2 Regulation F — Itemization Notice (12 CFR § 1006.34)

REG F COMPLIANCE

No itemized ledger = no compliant validation notice.

12 CFR § 1006.34 requires the validation notice to disclose an "itemization date" (one of five reference dates), the amount owed as of that date, and an itemization of interest, fees, payments, and credits since. Without an itemized ledger, these fields cannot be populated. Leaving itemization fields blank is itself a cited regulatory violation. For undocumented files: SWRS cannot issue a facially compliant Reg F validation notice — meaning collection activity on those files carries per-letter exposure.

4.3 FCRA — Furnishing and Dispute Obligations

Under FCRA § 1681s-2, furnishers must ensure accuracy and reasonably investigate disputes (ACDV responses). For undocumented tenant debt:

- Furnishing an unsubstantiated balance creates direct accuracy exposure on the tradeline.

- When a consumer disputes, the furnisher has 30 days to investigate and respond. With no documents, a reasonable investigation is impossible — meaning SWRS must either suppress the tradeline or certify accuracy it cannot substantiate.
- Collections tradelines are in structural decline: per CFPB data, contingency-fee collectors' tradelines fell 38% between 2018 and 2022 — a rational risk-management response to exactly this exposure.

SWRS POLICY FOR UNDOCUMENTED FILES**No credit bureau reporting on Tier C (undocumented) placements.**

SWRS reports to Experian via RentBureau only. Furnishing undocumented rental balances to Experian creates FCRA accuracy/reinvestigation exposure that cannot be managed without the underlying lease and ledger. Tier C placements (bare-balance, no documentation) should have credit reporting disabled by default in the client agreement.

4.4 CFPB Enforcement Context

The CFPB's 2023 and 2024 FDCPA Annual Reports specifically targeted medical and rental debt collection. The CFPB/FTC jointly issued a 2023 RFI on tenant screening. The enforcement posture has softened under 2025 CFPB leadership changes, but:

- The FDCPA, FCRA, and Reg F remain fully in force and privately enforceable.
- State AGs retain authority under the Georgia FBPA — and Georgia AG enforcement has not softened.
- Do not underwrite compliance risk to zero based on federal posture alone.

5. The Tier A / B / C Placement-Acceptance Framework

Undocumented Georgia PM debt can be worked profitably at the pre-legal stage if priced and conditioned correctly. The following tiered framework structures acceptance decisions, client agreements, and operational protocols.

TIER	DOCUMENTATION	CONTINGENCY	CHANNELS AVAILABLE	LITIGATION	CREDIT REPORTING
A — Full Package	Signed lease + itemized ledger + SODA + inspection docs + debtor IDs	Standard rate	All (dialer, mail, email, skip trace)	Yes — full referral path	Yes — Experian/RentBureau eligible
B — Partial	Ledger but no signed lease; or partial ID data	Standard rate	Pre-legal only	No	Only if balance fully substantiated and itemizable
C — Undocumented	Bare balance only	Higher contingency (risk/yield adjusted)	Pre-legal/voluntary only	No — and no threats of litigation	No — disabled by default in contract

5.1 Minimum Documentation Package (Tier A Standard)

To qualify for Tier A processing — standard contingency, full channel access, credit reporting, and litigation eligibility — a placement must include all of the following:

- Signed lease and any addenda / guaranty (establishes 6-year SOL and § 1692f fee authorization).
- Itemized ledger / rent roll (rent, late fees, credits, deposit application) — required for Reg F itemization.
- Final Account / Statement of Deposit Account (SODA) with an itemization date.
- Move-in / move-out inspection + dated photos + repair invoices for any damage charges.
- Notice to vacate / lease-termination election.
- Dispossessory filing AND resulting judgment (specify: money judgment vs. writ only; service type).
- Debtor identifiers: full name, last known address, SSN, DOB, phone, email (NAA: up to 3x recovery lift with full contact data).

5.2 Required Contract Terms for Tier C Placements

Client agreements for Tier C (undocumented) placements must include:

- Client warranty of accuracy and legal entitlement to the amount placed.

- Documents-on-demand clause: client must produce documents within [14] days of a debtor dispute; file returned and collection ceased if documents are not produced within that window.
- Indemnification: client indemnifies SWRS for FDCPA, FCRA, and Reg F claims arising from inaccurate or undocumented placement data.
- No-credit-reporting default: credit furnishing disabled unless and until documentation is produced and the file upgrades to Tier B or A.
- No-litigation default: no referral to legal or threats of litigation without a cured file.
- Higher contingency: fee range reflects the lower expected yield and elevated compliance overhead.

6. Georgia Market Context: Property Management Debt Collection

Georgia's property-management landscape creates specific demand patterns for commercial debt collection agencies serving the residential landlord and multifamily market.

6.1 Georgia-Specific Market Conditions

- Georgia imposes no collection-agency licensing requirement for third-party commercial collectors — lower barrier to entry than many states, but FDCPA and FBPA fully apply.
- Atlanta metro is one of the top 5 U.S. markets for multifamily rental units — high volume of potential PM debt placements concentrated in Fulton, DeKalb, Gwinnett, Cobb, and Clayton counties.
- Georgia's 2023 average apartment asking rent exceeded \$1,700/month — at that balance level, NAA data shows recovery drops toward the lower end of its published range.
- Post-pandemic eviction moratorium backlog created elevated aged-debt inventory across Georgia's major metros; many of these files are now 3–5 years old and approaching or past the 4-year open-account SOL.

6.2 Southwest Recovery Services — Georgia Collection Capabilities

Southwest Recovery Services operates a Georgia debt collection office and holds full operational coverage for commercial collections statewide. Key capabilities for Georgia property-management clients:

- Pre-legal recovery across all tiers using skip tracing, AI-assisted dialing (Skit.ai), email, and direct mail.
- Tier A files: full-cycle recovery including litigation referral and judgment enforcement through post-Strickland garnishment mechanics.
- Experian RentBureau credit reporting for eligible (Tier A/B) tenant debt — leveraging a 36M+ renter profile database and 10,000+ data furnisher network to create leverage on voluntary resolution.
- Contingency-only pricing — no upfront fees. Fee range 18–45% depending on account age, documentation tier, and portfolio size.
- Dedicated property-management client portal at swrsportal.com with real-time account status, document upload, and remittance tracking.

SWRS GEORGIA CONTACT

Ready to evaluate your Georgia PM portfolio.

Call (866) 551-4684 or visit swrecovery.com to submit accounts for a complimentary portfolio assessment. Addison, TX headquarters with Georgia office coverage. Commercial B2B collections in all 50 states; consumer collections in 47 states.

7. Frequently Asked Questions

Can we collect on Georgia tenant debt without a signed lease?

Yes — pre-legally and on a voluntary basis only. Without a signed lease, the claim falls to the 4-year open-account SOL, and litigation and credit reporting are inadvisable without authenticated documentation. SWRS classifies these as Tier C placements.

What is the statute of limitations on tenant debt in Georgia?

6 years for written contracts (signed lease — O.C.G.A. § 9-3-24). 4 years for open accounts or implied contracts (no signed lease — O.C.G.A. § 9-3-25). 7 years, renewable, for prior money judgments (O.C.G.A. § 9-12-60).

Does Georgia require a collection agency license?

No — Georgia does not require a third-party commercial collection agency to hold a state license or post a bond (subject to limited cash-handling agent provisions under O.C.G.A. § 10-6-100). However, FDCPA, Reg F, FCRA, and the Georgia FBPA all apply.

Can we report undocumented tenant debt to the credit bureaus?

SWRS's credit reporting is through Experian via RentBureau only — not all three bureaus. For undocumented (Tier C) placements, credit reporting is disabled by default. Furnishing an unsubstantiated balance creates FCRA accuracy and reinvestigation exposure that cannot be managed without the underlying lease and ledger.

What happens if a prior dispossessory was filed?

Only if the dispossessory produced a personal money judgment (not merely a writ of possession) does the debt convert to a collectible, 7-year renewable judgment. A writ-only dispossessory does not create a monetary obligation enforceable by garnishment. Confirm the specific outcome with the client before placement.

What recovery rate should we model for undocumented Georgia PM debt?

Plan for 4–12% net liquidation on a blended undocumented portfolio, versus 15–20% for well-documented files. For undocumented files over 12 months old, model 1–5%. These are planning estimates, not guaranteed outcomes — the biggest controllable variable is the client's documentation quality at placement.

8. Summary Recommendations and Decision Benchmarks

Operational Recommendations

- **1.** Underwrite undocumented Georgia PM debt to 4–12% net liquidation (blended), 1–5% for files over 12 months old.
- **2.** Gate all placements through the Tier A/B/C documentation framework before assigning to a collection channel.
- **3.** Require the minimum documentation package for any Tier A acceptance. Do not compromise on the signed lease, itemized ledger, SODA, and debtor identifiers.
- **4.** Include the five required Tier C contract terms (warranty, documents-on-demand, indemnification, no-reporting default, no-litigation default) in every client agreement for undocumented placements.
- **5.** Decline or heavily discount undocumented files older than ~3 years — the 4-year open-account SOL and compounding decay make these near-worthless for anything beyond first-contact voluntary resolution.

Benchmarks That Would Change the Recommendation

- Client produces signed leases + ledgers on the bulk of a portfolio → upgrade to Tier A, standard economics.
- Portfolio consists of prior money judgments (not writs only) → treat as high-value; 7–10 year enforcement horizon, garnishment-ready.
- Tracked Tier C net liquidation falls below ~4% after two quarters of live data → decline the segment.
- Georgia AG or federal enforcement on rental-debt furnishing intensifies → tighten Tier B/C credit reporting to zero.

This white paper is prepared for internal reference and client advisory purposes. It does not constitute legal advice. Georgia statutes and cases cited (O.C.G.A. §§ 9-3-24, 9-3-25, 9-12-60, 18-4-5, 10-6-100, 10-1-390; Nyankojo v. North Star Capital Acquisition; Wirth v. Cach, LLC; Strickland v. Alexander) should be confirmed with qualified Georgia collections counsel and pin cites verified before adopting any client-facing policy. Regulatory environment references reflect the state of law as of August 2026; the FDCPA, FCRA, and Reg F remain in force and privately enforceable. SWRS credit reporting is through Experian via RentBureau only — not all three bureaus.