

# SENATE BILL 809

N1

(7lr2705)

## ENROLLED BILL

— Judicial Proceedings/Environment and Transportation —

Introduced by **Senators Muse, Currie, Lee, Manno, Miller, Ramirez, Rosapepe, and Young**

Read and Examined by Proofreaders:

\_\_\_\_\_  
Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this \_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
President.

### CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Condominiums and Homeowners Associations – Sales of Common Elements and**  
3 **Common Areas**

4 FOR the purpose of requiring the governing body of a condominium or, under certain  
5 circumstances, the developer to provide a certain notice before the sale of any  
6 common element ~~in the condominium~~ under certain circumstances; requiring the  
7 governing body of a homeowners association or, under certain circumstances, the  
8 declarant to provide a certain notice before the sale of any common area ~~owned by~~  
9 ~~the homeowners association~~ under certain circumstances; ~~requiring that when a tax~~  
10 ~~lien is imposed on certain properties, the governing body imposing the lien of a~~  
11 ~~certain condominium or homeowners association or, under certain circumstances, a~~  
12 ~~certain developer or declarant must provide certain notice; defining certain terms;~~  
13 and generally relating to the sale of common elements in condominiums and common  
14 areas ~~owned by~~ in homeowners associations.

---

#### EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.

*Italics indicate opposite chamber/conference committee amendments.*



1 BY repealing and reenacting, without amendments,  
 2 Article – Real Property  
 3 Section 11–108(a)  
 4 Annotated Code of Maryland  
 5 (2015 Replacement Volume and 2016 Supplement)

6 BY adding to  
 7 Article – Real Property  
 8 Section 11–108(d) and 11B–106.2  
 9 Annotated Code of Maryland  
 10 (2015 Replacement Volume and 2016 Supplement)

11 ~~BY repealing and reenacting, with amendments,  
 12 Article – Tax – Property  
 13 Section 14–804  
 14 Annotated Code of Maryland  
 15 (2012 Replacement Volume and 2016 Supplement)~~

16 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
 17 That the Laws of Maryland read as follows:

18 **Article – Real Property**

19 11–108.

20 (a) Subject to the provisions of subsection (c) of this section, the common elements  
 21 may be used only for the purposes for which they were intended and, except as provided in  
 22 the declaration, the common elements shall be subject to mutual rights of support, access,  
 23 use, and enjoyment by all unit owners. However, subject to the provisions of subsection (b)  
 24 of this section, any portion of the common elements designated as limited common elements  
 25 shall be used only by the unit owner of the unit to which their use is limited in the  
 26 declaration or condominium plat.

27 (D) **(1) NOTWITHSTANDING ANY BYLAW, PROVISION OF A CONDOMINIUM**  
 28 **PLAT, RULE, OR OTHER PROVISION OF LAW, THE GOVERNING BODY OF A COUNTY**  
 29 **CONDOMINIUM OR, IF A CONTROL OF THE GOVERNING BODY IS HAS NOT YET**  
 30 **FORMED TRANSITIONED TO THE UNIT OWNERS, THE DEVELOPER SHALL GIVE**  
 31 **NOTICE TO EACH UNIT OWNER, IN WRITING, IN ACCORDANCE WITH PARAGRAPH (2)**  
 32 **OF THIS SUBSECTION NO LESS THAN 30 DAYS BEFORE THE SALE, INCLUDING A TAX**  
 33 **SALE, OF ANY COMMON ELEMENT IN LOCATED ON PROPERTY THAT HAS BEEN**  
 34 **TRANSFERRED TO THE CONDOMINIUM.**

35 **(2) THE NOTICE REQUIREMENT UNDER PARAGRAPH (1) OF THIS**  
 36 **SUBSECTION SHALL BE SATISFIED BY:**

1                    (I) PROVIDING WRITTEN NOTICE ABOUT THE SALE TO EACH  
 2 UNIT OWNER; OR

3                    (II) 1. POSTING A SIGN ABOUT THE SALE ON THE PROPERTY  
 4 TO BE SOLD, IN A MANNER SIMILAR TO SIGNAGE REQUIRED FOR A ZONING  
 5 MODIFICATION; AND

6                    2. IF THE CONDOMINIUM HAS A WEB SITE, PROVIDING  
 7 NOTICE ABOUT THE SALE ON THE HOME PAGE OF THE WEB SITE OF THE  
 8 CONDOMINIUM.

9 **11B-106.2.**

10            (A) NOTWITHSTANDING ANY BYLAW, PROVISION OF A DECLARATION, RULE,  
 11 OR OTHER PROVISION OF LAW, THE GOVERNING BODY OF A COUNTY HOMEOWNERS  
 12 ASSOCIATION OR, IF A CONTROL OF THE GOVERNING BODY IS HAS NOT YET FORMED  
 13 TRANSITIONED TO THE LOT OWNERS, THE DECLARANT SHALL GIVE NOTICE TO EACH  
 14 LOT OWNER, IN WRITING, IN ACCORDANCE WITH SUBSECTION (B) OF THIS SECTION  
 15 NO LESS THAN 30 DAYS BEFORE THE SALE, INCLUDING A TAX SALE, OF ANY COMMON  
 16 AREA OWNED BY LOCATED ON PROPERTY THAT HAS BEEN TRANSFERRED TO THE  
 17 HOMEOWNERS ASSOCIATION.

18            (B) THE NOTICE REQUIREMENT UNDER SUBSECTION (A) OF THIS SECTION  
 19 SHALL BE SATISFIED BY:

20                    (1) PROVIDING WRITTEN NOTICE ABOUT THE SALE TO EACH LOT  
 21 OWNER; OR

22                    (2) (I) POSTING A SIGN ABOUT THE SALE ON THE PROPERTY TO BE  
 23 SOLD, IN A MANNER SIMILAR TO SIGNAGE REQUIRED FOR A ZONING MODIFICATION;  
 24 AND

25                    (II) IF THE HOMEOWNERS ASSOCIATION HAS A WEB SITE,  
 26 PROVIDING NOTICE ABOUT THE SALE ON THE HOME PAGE OF THE WEB SITE OF THE  
 27 HOMEOWNERS ASSOCIATION.

28                    ~~Article Tax Property~~

29 ~~14-804.~~

30            ~~(a) All unpaid taxes on real property shall be, until paid, liens on the real property~~  
 31 ~~in respect to which they are imposed from the date they became or become payable.~~

1       ~~(b) All unpaid tax on personal property is a lien on the personal property and on~~  
 2 ~~the real property of the owner of the personal property in the same manner in which taxes~~  
 3 ~~on real property are now liens on the real property with respect to which they are imposed~~  
 4 ~~in all subdivisions of the State; provided that the lien will attach to the real property only~~  
 5 ~~after the notice has been recorded and indexed among the judgment records in the office of~~  
 6 ~~the clerk of the circuit court in the county where the land lies, or is recorded and indexed~~  
 7 ~~on the tax rolls of the subdivision. Any subdivision, in lieu of recording in the appropriate~~  
 8 ~~court, may use a lien reporting system, and any subdivision so doing shall provide, on~~  
 9 ~~request, a lien report or memorandum with respect to any particular person.~~

10       ~~(e) The county property tax deferred under § 10-201 of this article is a lien on the~~  
 11 ~~property for which the deferral was granted.~~

12       ~~(d) The unpaid balance of a deferral granted under § 10-202 of this article is a~~  
 13 ~~lien on the property for which the deferral was granted.~~

14       ~~(E) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE~~  
 15 ~~MEANINGS INDICATED.~~

16               ~~(II) "COMMON ELEMENT" HAS THE MEANING STATED IN §~~  
 17 ~~11-101 OF THE REAL PROPERTY ARTICLE.~~

18               ~~(III) "COMMON AREA" HAS THE MEANING STATED IN § 11-101 OF~~  
 19 ~~THE REAL PROPERTY ARTICLE.~~

20       ~~(2) WHEN A TAX LIEN IS IMPOSED ON A COMMON ELEMENT OF A~~  
 21 ~~CONDOMINIUM OR ON A COMMON AREA OF PROPERTY OWNED BY A HOMEOWNER'S~~  
 22 ~~HOMEOWNERS ASSOCIATION, THE GOVERNING BODY IMPOSING THE LIEN OF THE~~  
 23 ~~CONDOMINIUM ASSOCIATION OR HOMEOWNERS ASSOCIATION OR, IF A GOVERNING~~  
 24 ~~BODY IS NOT YET FORMED, THE DEVELOPER OR DECLARANT SHALL NOTIFY EACH~~  
 25 ~~MEMBER OF THE CONDOMINIUM ASSOCIATION OR HOMEOWNER'S HOMEOWNERS~~  
 26 ~~ASSOCIATION.~~

27       SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 28       October 1, 2017.