

HOUSE BILL 1260

N1, C1
HB 1221/25 – ENT

6lr0635

By: **Delegate Feldmark**

Introduced and read first time: February 12, 2026

Assigned to: Economic Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Common Ownership Communities – Online Publication of Resale Disclosures**

3 FOR the purpose of requiring the governing body of a certain common ownership
4 community or the management agent of a homeowners association to maintain
5 certain information about the common ownership community on its website in a
6 downloadable format and at no cost; altering the fees that certain common ownership
7 communities may charge for information relating to an individual unit or lot; and
8 generally relating to cooperative housing corporations, condominiums, and
9 homeowners associations.

10 BY repealing and reenacting, with amendments,

11 Article – Corporations and Associations

12 Section 5–6B–02

13 Annotated Code of Maryland

14 (2025 Replacement Volume)

15 BY repealing and reenacting, without amendments,

16 Article – Real Property

17 Section 11–135(a), (i), and (j) and 11B–106(b)

18 Annotated Code of Maryland

19 (2023 Replacement Volume and 2025 Supplement)

20 BY repealing and reenacting, with amendments,

21 Article – Real Property

22 Section 11–135(c) and 11B–106(c)

23 Annotated Code of Maryland

24 (2023 Replacement Volume and 2025 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

26 That the Laws of Maryland read as follows:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Corporations and Associations

5-6B-02.

(a) A contract for the initial sale of a cooperative interest to a member of the public for residential use is not enforceable against the initial purchaser unless:

(1) The initial purchaser is given at or before the time a contract is entered into between the developer and the initial purchaser, a public offering statement containing all of the information required by this section; and

(2) The contract contains, in conspicuous type, a notice of the initial purchaser's right to receive a public offering statement and the rescission rights provided under this title.

(b) The public offering statement shall contain at least the following:

(1) The name and address of the developer;

(2) The following statements:

(i) A boundary survey or metes-and-bounds description of the cooperative project together with a location survey of all improvements, including recreational facilities, streets, and roads, and a drawing of any proposed improvements not yet constructed within the cooperative project;

(ii) A statement of the form of ownership of all real and personal property which is intended by the developer to be owned or leased by the cooperative housing corporation;

(iii) A statement as to whether streets abutting the cooperative project are to be dedicated to public use or maintained by the cooperative housing corporation;

(iv) A statement of the projected completion dates for proposed improvements and, in the case of a contract for the initial sale of a cooperative interest in a cooperative housing corporation which has not yet been formed, a statement of the projected date of formation;

(v) A statement whether and under what conditions units may be sublet or cooperative interests sold by members;

(vi) A description of the voting and other rights in the cooperative housing corporation which attach to a cooperative interest as such rights are described in § 2-105 of this article;

1 (vii) An opinion, based on stated factual assumptions, as to whether
2 the members under current laws will be entitled to a pass-through of deductions from
3 federal and State income taxes for payments made by the cooperative housing corporation
4 for real estate taxes and interest on the property of the cooperative housing corporation;

5 (viii) A statement of the rights and responsibilities of members
6 regarding the blanket encumbrance and a statement as to the nature and extent of any
7 protection to the initial purchaser if the developer or cooperative housing corporation
8 defaults on such a blanket encumbrance after transfer or a statement that there is no such
9 protection;

10 (ix) A statement that a deposit made in connection with the purchase
11 of a cooperative interest will be held in an escrow account in the same manner as provided
12 in § 10-301 of the Real Property Article in the case of sales of new, uncompleted single
13 family units;

14 (x) A statement of any fees required by the cooperative housing
15 corporation in connection with the transfer of membership or issuance of a proprietary
16 lease;

17 (xi) A statement of the common charges, known or anticipated,
18 however denominated, which may be levied against a member;

19 (xii) A statement of the cooperative interest associated with each unit
20 and the underlying debt responsibility associated with each unit on a pro rata basis, if
21 applicable;

22 (xiii) A statement as to whether the cooperative housing corporation
23 has or will obtain insurance coverage for casualty, property damage, and public liability
24 and if so, in what amounts;

25 (xiv) In the case of a cooperative housing corporation containing
26 buildings substantially completed more than 5 years prior to the date of the notice required
27 under § 5-6B-05 of this subtitle, a statement of the physical condition and state of repair
28 of the major structural, mechanical, electrical, and plumbing components of the
29 improvements, to the extent reasonably ascertainable, the estimated costs of repairs for
30 which a present need is disclosed in the statement, and a statement of repairs which the
31 developer intends to make. The developer is entitled to rely on the reports of architects or
32 engineers authorized to practice their profession in this State; and

33 (xv) A statement of all warranties and disclaimers being made to the
34 initial purchaser and to the cooperative housing corporation by the developer;

35 (3) Copies of the proposed or final:

36 (i) Contract of sale;

- 1 (ii) Membership certificate;
- 2 (iii) Proprietary lease;
- 3 (iv) Articles of incorporation;
- 4 (v) Bylaws;
- 5 (vi) Rules, if any;
- 6 (vii) Floor plans;
- 7 (viii) Blanket encumbrances;
- 8 (ix) Member loan documents and any contract, note, mortgage given
9 to the developer, or other instrument to be entered into with the developer as part of the
10 initial sale;
- 11 (x) Any lease other than the proprietary lease to a third party of real
12 or personal property to which the cooperative housing corporation is a party; and
- 13 (xi) Any management contract, employment contract, or other
14 contract excluding contracts of insurance affecting the use, maintenance or access to all or
15 part of the real or personal property of the cooperative housing corporation;
- 16 (4) A copy of the projected annual operating budget for the cooperative
17 housing corporation including, where applicable:
- 18 (i) Insurance;
- 19 (ii) Administration;
- 20 (iii) Maintenance;
- 21 (iv) Utilities;
- 22 (v) General expenses;
- 23 (vi) Reserves;
- 24 (vii) Capital items;
- 25 (viii) Debt service; and
- 26 (ix) Taxes; and

1 (5) If applicable, a copy of the notice and materials required by § 5–6B–05
2 of this subtitle, and a copy of the financial standards required to be established under §
3 5–6B–06(a)(2)(i) of this subtitle.

4 (c) Statements required in this section may be summarized or produced in a
5 collection of documents which effectively conveys the required information to the initial
6 purchaser.

7 **(D) (1) THE GOVERNING BODY OF A COOPERATIVE HOUSING**
8 **CORPORATION SHALL MAINTAIN ON THE WEBSITE OF THE COOPERATIVE HOUSING**
9 **CORPORATION THE INFORMATION REQUIRED UNDER SUBSECTION (B) OF THIS**
10 **SECTION, NOT INCLUDING INFORMATION PERTAINING TO AN INDIVIDUAL UNIT.**

11 **(2) THE INFORMATION REQUIRED UNDER PARAGRAPH (1) OF THIS**
12 **SUBSECTION SHALL BE PROVIDED IN A DOWNLOADABLE FORMAT AND AT NO COST.**

13 **[(d)] (E)** The requirements of this section do not apply to the sale of any
14 cooperative interest in a unit which is to be used and occupied for nonresidential purposes.

15 **Article – Real Property**

16 11–135.

17 (a) Except as provided in subsection (b) of this section, a contract for the resale of
18 a unit by a unit owner other than a developer is not enforceable unless the contract of sale
19 contains in conspicuous type a notice in the form specified in subsection (g)(1) of this
20 section, and the unit owner furnishes to the purchaser not later than 15 days prior to
21 closing:

22 (1) A copy of the declaration (other than the plats);

23 (2) The bylaws;

24 (3) The rules or regulations of the condominium;

25 (4) A certificate containing:

26 (i) A statement disclosing the effect on the proposed conveyance of
27 any right of first refusal or other restraint on the free alienability of the unit other than
28 any restraint created by the unit owner;

29 (ii) A statement setting forth the amount of the common expense
30 assessment and any unpaid common expense or special assessment adopted by the council
31 of unit owners that is due and payable from the selling unit owner;

- 1 (iii) A statement of any other fees payable by the unit owners to the
2 council of unit owners;
- 3 (iv) A statement of any capital expenditures approved by the council
4 of unit owners planned at the time of the conveyance which are not reflected in the current
5 operating budget disclosed under item (vi) of this item;
- 6 (v) The most recent regularly prepared balance sheet and income
7 expense statement, if any, of the condominium;
- 8 (vi) The current operating budget of the condominium including the
9 current reserve study report or a summary of the report, a statement of the status and
10 amount of any reserve or replacement fund, or a statement that there is no reserve fund;
- 11 (vii) A statement of any unsatisfied judgments or pending lawsuits to
12 which the council of unit owners is a party, excluding assessment collection suits;
- 13 (viii) A statement generally describing any insurance policies provided
14 for the benefit of unit owners, a notice that copies of the policies are available for inspection,
15 stating the location at which the copies are available, and a notice that the terms of the
16 policy prevail over the description;
- 17 (ix) A statement as to whether the council of unit owners has actual
18 knowledge of any violation of the health or building codes with respect to the common
19 elements of the condominium;
- 20 (x) A description of any recreational or other facilities which are to
21 be used by the unit owners or maintained by them or the council of unit owners, and a
22 statement as to whether or not they are to be a part of the common elements; and
- 23 (xi) 1. A statement as to whether the council of unit owners has
24 entered into any agreement that settles or releases the council of unit owners' claims
25 related to common element warranties under § 11–131 of this title; and
- 26 2. A statement as to whether the board of directors has
27 disclosed to the council of unit owners in accordance with § 11–134.1(c)(2) of this title, the
28 board's intention to enter into an agreement for the purpose of settling a disputed common
29 element warranty claim under § 11–131 of this title;
- 30 (5) A statement by the unit owner as to whether the unit owner has
31 knowledge:
- 32 (i) That any alteration to the unit or to the limited common
33 elements assigned to the unit violates any provision of the declaration, bylaws, or rules and
34 regulations;

1 (ii) Of any violation of the health or building codes with respect to
2 the unit or the limited common elements assigned to the unit;

3 (iii) That the unit is subject to an extended lease under § 11-137 of
4 this title or under local law, and if so, a copy of the lease must be provided; and

5 (iv) Of the presence of asbestos in the unit, including a description of
6 the location of the asbestos, and whether abatement has been performed in the unit during
7 the occupancy of the owner; and

8 (6) A written notice of the unit owner's responsibility for the council of unit
9 owners' property insurance deductible and the amount of the deductible.

10 (c) (1) **(I)** [Except as provided in paragraph (4) of this subsection, the
11 council of unit owners, within 20 days after a written request by a unit owner and receipt
12 of a reasonable fee therefor, not to exceed the cost to the council of unit owners, if any, up
13 to a maximum of \$250, shall furnish a certificate containing the information necessary to
14 enable the unit owner to comply with subsection (a) of this section. A unit owner providing
15 a certificate under subsection (a) of this section is not liable to the purchaser for any
16 erroneous information provided by the council of unit owners and included in the
17 certificate] **THE GOVERNING BODY OF A CONDOMINIUM SHALL MAINTAIN ON THE
18 CONDOMINIUM'S WEBSITE THE INFORMATION REQUIRED UNDER SUBSECTION (A)
19 OF THIS SECTION, NOT INCLUDING INFORMATION PERTAINING TO AN INDIVIDUAL
20 UNIT.**

21 **(II) THE GOVERNING BODY OF A CONDOMINIUM SHALL
22 PROVIDE THE INFORMATION DESCRIBED IN SUBPARAGRAPH (I) OF THIS
23 PARAGRAPH IN A DOWNLOADABLE FORMAT AND AT NO COST.**

24 (2) **(I)** [In addition to the fee under paragraph (1) of this subsection,
25 the] **THE** council of unit owners is entitled to a reasonable fee not to exceed \$100 for
26 **INFORMATION PERTAINING TO AN INDIVIDUAL UNIT, INCLUDING** an inspection of the
27 [unit owner's] unit, if required.

28 **(II) 1. THE GOVERNING BODY OF A CONDOMINIUM SHALL
29 PROVIDE THE INFORMATION PERTAINING TO AN INDIVIDUAL UNIT UNDER
30 SUBPARAGRAPH (I) OF THIS PARAGRAPH WITHIN 14 DAYS AFTER THE REQUEST FOR
31 THE INFORMATION.**

32 **2. IF A UNIT OWNER REQUESTS EXPEDITED DELIVERY
33 OF INFORMATION PERTAINING TO AN INDIVIDUAL UNIT, IN ADDITION TO THE FEE
34 DESCRIBED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COUNCIL OF UNIT
35 OWNERS IS ENTITLED TO A REASONABLE FEE NOT TO EXCEED \$100 FOR THE
36 DELIVERY OF THE INFORMATION WITHIN 7 DAYS AFTER THE REQUEST FOR THE
37 INFORMATION.**

1 (3) [In addition to the fees under paragraphs (1) and (2) of this subsection,
2 the] **THE** council of unit owners [is], **THE GOVERNING BODY OF A CONDOMINIUM, OR**
3 **THEIR AGENTS ARE** entitled **ONLY** to [a reasonable fee:

4 (i) Not to exceed \$50 for delivery of the certificate within 14 days
5 after the request for the certificate; and

6 (ii) Not to exceed \$100 for delivery of the certificate within 7 days
7 after the request for the certificate] **FEES ASSOCIATED WITH CREATING OR SENDING**
8 **THE INFORMATION DESCRIBED UNDER PARAGRAPH (2) OF THIS SUBSECTION.**

9 (4) [(i) The Department of Housing and Community Development shall
10 adjust the maximum fee authorized under paragraph (1) of this subsection every 2 years,
11 beginning October 1, 2018, to reflect any aggregate increase in the Consumer Price Index
12 for All Urban Consumers (CPI-U) for the Washington Metropolitan Area, or any successor
13 index, for the previous 2 years.

14 (ii) The Department of Housing and Community Development shall
15 maintain on its website a list of the maximum fees authorized under paragraph (1) of this
16 subsection as adjusted every 2 years in accordance with subparagraph (i) of this paragraph.

17 (5) With respect to the remaining information that the unit owner is
18 required to disclose under subsection (a) of this section that is not provided by the council
19 of unit owners and included in the certificate, a unit owner:

20 (i) Except as provided in item (ii) of this paragraph, is liable to the
21 purchaser under this section for damages proximately caused by:

22 1. An untrue statement about a material fact; and

23 2. An omission of a material fact that is necessary to make
24 the statements made not misleading, in light of the circumstances under which the
25 statements were made; and

26 (ii) Is not liable to the purchaser under this section if the owner had,
27 after reasonable investigation, reasonable grounds to believe, and did believe, at the time
28 the information was provided to the purchaser, that the statements were true and that
29 there was no omission to state a material fact necessary to make the statements made not
30 misleading, in light of the circumstances under which the statements were made.

31 (i) This section does not apply to the sale of any unit which is to be used and
32 occupied for nonresidential purposes.

33 (j) Subsections (a), (b), (c), (d), (e), (f), and (g) of this section do not apply to a sale
34 of a unit in an action to foreclose a mortgage or deed of trust.

1 11B-106.

2 (b) The vendor shall provide the purchaser the following information in writing:

3 (1) A statement as to whether the lot is located within a development;

4 (2) (i) The current monthly fees or assessments imposed by the
5 homeowners association upon the lot;

6 (ii) The total amount of fees, assessments, and other charges
7 imposed by the homeowners association upon the lot during the prior fiscal year of the
8 homeowners association; and

9 (iii) A statement of whether any of the fees, assessments, or other
10 charges against the lot are delinquent;

11 (3) The name, address, and telephone number of the management agent of
12 the homeowners association, or other officer or agent authorized by the homeowners
13 association to provide to members of the public, information regarding the homeowners
14 association and the development, or a statement that no agent or officer is presently so
15 authorized by the homeowners association;

16 (4) A statement as to whether the owner has actual knowledge of:

17 (i) The existence of any unsatisfied judgments or pending lawsuits
18 against the homeowners association; and

19 (ii) Any pending claims, covenant violations actions, or notices of
20 default against the lot; and

21 (5) A copy of:

22 (i) The articles of incorporation, the declaration, and all recorded
23 covenants and restrictions of the primary development, and of other related developments
24 to the extent reasonably available, to which the purchaser shall become obligated on
25 becoming an owner of the lot, including a statement that these obligations are enforceable
26 against an owner's tenants, if applicable; and

27 (ii) The bylaws and rules of the primary development, and of other
28 related developments to the extent reasonably available, to which the purchaser shall
29 become obligated on becoming an owner of the lot, including a statement that these
30 obligations are enforceable against an owner and the owner's tenants, if applicable.

31 (c) (1) **(I)** [Except as provided in paragraph (4) of this subsection, within
32 20 days after a written request by a lot owner other than a declarant and receipt of a
33 reasonable fee, not to exceed the cost to the homeowners association, if any, up to a

1 maximum of \$250, the] **THE** homeowners association[,] **OR** the management agent of the
2 homeowners association[, or any other authorized officer or agent of the homeowners
3 association, shall provide the information listed under subsection (b) of this section] **SHALL**
4 **MAINTAIN ON THE WEBSITE OF THE HOMEOWNERS ASSOCIATION OR MANAGEMENT**
5 **AGENT OF THE HOMEOWNERS ASSOCIATION ALL INFORMATION PERTAINING TO THE**
6 **HOMEOWNERS ASSOCIATION REQUIRED UNDER SUBSECTION (B) OF THIS SECTION,**
7 **NOT INCLUDING INFORMATION PERTAINING TO AN INDIVIDUAL LOT.**

8 (II) **THE HOMEOWNERS ASSOCIATION OR MANAGEMENT AGENT**
9 **OF THE HOMEOWNERS ASSOCIATION SHALL PROVIDE THE INFORMATION**
10 **DESCRIBED IN SUBPARAGRAPH (I) OF THIS PARAGRAPH IN A DOWNLOADABLE**
11 **FORMAT AND AT NO COST.**

12 (2) (I) [In addition to the fee under paragraph (1) of this subsection,
13 the] **THE** homeowners association is entitled to a reasonable fee not to exceed \$50 for
14 **INFORMATION PERTAINING TO AN INDIVIDUAL LOT, INCLUDING** an inspection of the
15 [lot owner's] lot if the inspection is required by the governing documents of the homeowners
16 association.

17 (II) 1. **THE HOMEOWNERS ASSOCIATION OR MANAGEMENT**
18 **AGENT OF THE HOMEOWNERS ASSOCIATION SHALL PROVIDE THE INFORMATION**
19 **PERTAINING TO AN INDIVIDUAL LOT UNDER SUBPARAGRAPH (I) OF THIS**
20 **PARAGRAPH WITHIN 14 DAYS AFTER THE REQUEST FOR THE INFORMATION.**

21 2. **IF A UNIT OWNER REQUESTS EXPEDITED DELIVERY**
22 **OF INFORMATION PERTAINING TO AN INDIVIDUAL LOT, IN ADDITION TO THE FEE**
23 **DESCRIBED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH, THE COUNCIL OF UNIT**
24 **OWNERS IS ENTITLED TO A REASONABLE FEE NOT TO EXCEED \$100 FOR THE**
25 **DELIVERY OF THE INFORMATION WITHIN 7 DAYS AFTER THE REQUEST FOR THE**
26 **INFORMATION.**

27 (3) [In addition to the fees under paragraphs (1) and (2) of this subsection,
28 the] **THE** homeowners association, **THE MANAGEMENT AGENT OF THE HOMEOWNERS**
29 **ASSOCIATION, OR THEIR AGENT** is entitled **ONLY** to [a reasonable fee:

30 (i) Not to exceed \$50 for delivery of the information within 14 days
31 after the request for the information; and

32 (ii) Not to exceed \$100 for delivery of the information within 7 days
33 after the request for the information] **FEEES ASSOCIATED WITH CREATING OR SENDING**
34 **THE INFORMATION DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION.**

35 [(4) (i) The Department of Housing and Community Development shall
36 adjust the maximum fee authorized under paragraph (1) of this subsection every 2 years,

1 beginning on October 1, 2018, to reflect any aggregate increase in the Consumer Price Index
2 for All Urban Consumers (CPI-U) for the Washington Metropolitan Area, or any successor
3 index, for the previous 2 years.

4 (ii) The Department of Housing and Community Development shall
5 maintain on its website a list of the maximum fees authorized under paragraph (1) of this
6 subsection as adjusted every 2 years in accordance with subparagraph (i) of this
7 paragraph.]

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
9 October 1, 2026.