



Senate Bill 898 – Condominiums and Homeowners Associations – Resale Contracts – Notice Requirements

Position: Support

High rates of complaints surrounding the Homeowners Association and Condominium resale process continue to be reported to Maryland REALTORS® from our members and their clients. We therefore offer strong support for SB 898, which clarifies both the procedures and allowable fees for resale packet delivery.

Many of today's resale packets are delivered electronically and accessed through an online portal, often by the buyer's real estate agent. This has created some uncertainty as to what constitutes "delivery" of the packet to the buyer. This timing is important because cancellation timelines under the Condo and HOA Acts begin to toll upon buyer delivery. This bill clarifies the timeframes for Associations and buyer agents to remove this uncertainty.

Further, current law differentiates between regular and expedited delivery timeframes. These date back to times when resale packets were in hard copy format and delivered via mail. With electronic delivery, we recommend that these timeframes are shortened to reflect compressed processing time.

Most importantly, SB 898 also clarifies the fees that may be charged to buyers to receive resale documents. While these have been outlined in statute for many years, consumers are often charged additional fees above and beyond those in state law. Because they must receive these documents, and because they have a very limited time under the purchase contract to do so, many consumers have no choice but to pay these add-on fees if they wish to complete their home purchase. REALTORS® believe the fees in the code are more than sufficient to produce what are now almost exclusively electronic documents.

For these reasons, Maryland REALTORS® strongly recommend a favorable report for SB 898.

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