



Senate Bill 71 – Task Force on Common Ownership Communities

Position: Support with Amendment

Maryland REALTORS® strongly supports SB 71, to create a Task Force to examine issues surrounding Common Ownership Communities. However, we believe there are enhancements that can be made to the scope and membership of that Task Force to make it more effective for the 1 million residents of Maryland's CoCs.

Real estate transactions can be greatly impacted by the operations of Common Ownership Communities. Those include timely delivery of documents and statements to sellers and buyers; the content of those statements and documents; the consequences of untimely delivery, including rescission of the contract to purchase; and coordination of this process for properties subject to more than one community association. Therefore, we believe the addition of a REALTOR® active in CoC resale transactions would be beneficial.

In addition to the above, Maryland REALTORS® receives many questions and complaints related to fees charged by communities and their management companies which exceed the amounts prescribed in the code, as well as difficulties in determining which properties belong to which Common Ownership Community and which association management company.

REALTORS® have supported greater oversight in this area for several years through the licensing of association managers and the creation of a statewide registry of communities, though neither has yet passed the General Assembly. The Task Force could prove useful in examining how other states conduct oversight of CoCs and their professional management companies and recommending future action for the General Assembly.

This is an area of real estate in great need of attention. With the addition of a REALTOR® representative on the Task Force and inclusion of the above study areas, Maryland REALTORS® recommends a favorable report on SB 71.

For more information contact
lisa.may@mdrealtor.org or christa.mcgee@mdrealtor.org