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March 5, 2026

To: The Honorable Kriselda Valderrama
Chair, Economic Matters Committee

From: Karen S. Straughn
Consumer Protection Division.

Re: House Bill 1132 – Condominiums and Homeowners Associations – Resale Contracts –
Notice Requirements (Keeping Affordable Housing Affordable Act) (SUPPORT)

The Consumer Protection Division of the Office of the Attorney General submits the following written testimony to support House Bill 1132 submitted by Delegates Jen Terrasa, Mary A. Lehman, Sheila Ruth and Natalie Ziegler. This bill alters the period of time to provide a resale package and reduces the fees an association may charge for providing the package to the seller. In addition, the bill provides a longer period of time to cancel the contract if the documents are not provided in a timely manner and requires disclosure of any material changes to the disclosures, payments or fees.

A resale package in a condominium or homeowners association sale is a set of official documents that gives buyers detailed information about the community and the specific unit they are purchasing. Its main purpose is transparency to permit the buyer to understand the financial, legal, and operational condition of the association before closing.

Typically, the documents provided will disclose the financial health of the association, provide the governing rules and restrictions, disclose any outstanding legal issues, and confirm the seller's account status. It is important that potential buyers have a reasonable period of time to review this information to ensure there are no excessive delinquencies, and no undisclosed problems within the association.

This bill seeks to change the time period to provide the resale package from 15 days prior to closing to 20 days after entering into the contract to give potential buyers a greater period of time to review the information. It further permits cancellation of the contract if the documents are not provided within 7 days prior to settlement. Finally, it reduces the fees that may be charged by the condominium or homeowner's association for delivery of the resale package and requires written notice of an increase of 10% of any fees or payments or material changes to a disclosure once it becomes known to the seller.

Real estate transactions are often the largest financial decisions people make. The resale package is one of the few tools association buyers have to assess long-term risk before they're legally committed. A resale package is often hundreds of pages long and can include complex financial and legal documents. Rushing review often increases the buyer's risk. In addition, lower costs reduce barriers to home ownership and improve transparency by ensuring that updated packages are readily available.

For the reasons set forth, the Consumer Protection Division requests that the Economic Matters Committee issue a favorable report on this bill.

cc: The Honorable Jen Terrasa
The Honorable Mary A. Lehman
The Honorable Sheila Ruth
The Honorable Natalie Ziegler
Members, Economic Matters Committee