

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 1260 (Delegate Feldmark)
Economic Matters

Common Ownership Communities - Online Publication of Resale Disclosures

This bill generally requires the governing bodies (or agents, as applicable) of cooperative housing corporations, condominiums, and homeowners associations (HOAs) (collectively referred to as common ownership communities or COCs), to maintain specific information on their websites in a downloadable format and at no cost; the bill specifies that the required information is exclusive of information pertaining to an individual unit or lot. In addition, the bill alters the fees that condominiums or HOAs (or HOA agents) may charge to provide certain information related to an individual unit or lot. Finally, the bill repeals the requirement for the Department of Housing and Community Development to adjust and post on its website the maximum fee that the governing body of condominium and HOA may charge an owner to provide specified information in the form of a certificate.

Fiscal Summary

State Effect: The bill does not materially affect State finances or operations.

Local Effect: The bill does not affect local government finances or operations.

Small Business Effect: Minimal.

Analysis

Bill Summary/Current Law: The bill generally requires the applicable entities to maintain the information initially discussed below on their websites, not including information pertaining to an individual unit or lot. The information must be provided in a downloadable format and at no cost.

Condominiums: Under current law, a contract for the resale of a unit by a unit owner other than the developer is not enforceable unless the contract of sale contains a specific notice

and the unit owner furnishes certain documents to the purchaser no later than 15 days prior to closing. In addition to other items, the unit owner must provide a certificate containing:

- a statement detailing the common expense assessment and any unpaid common expense or special assessment adopted by the council of unit owners that is due and payable from the selling unit owner;
- the most recent regularly prepared balance sheet and income expense statement, if any, of the condominium; and
- a statement of any unsatisfied judgments or pending lawsuits to which the council of unit owners is a party, excluding assessment collection actions.

The unit owner must also provide a copy of certain documents, including the declaration (other than the plats), the bylaws, and the rules or regulations of the condominium.

Cooperative Housing Corporations: 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 the purchaser receives a public offering statement containing all required information before or at the time the contract is entered into. The contract must also conspicuously notify the purchaser of the right to receive this statement, as well as applicable rescission rights. In addition to other items, the public offering statement must contain a statement:

- of the common charges, known or anticipated, however denominated, which may be levied against a member;
- as to whether the cooperative housing corporation has or will obtain insurance coverage for casualty, property damage, and public liability, and, if so, in what amounts; and
- whether and under what conditions units may be sublet or cooperative interests sold by members.

In addition to other documents, the public offering statement must also provide copies of relevant legal and financial documents, such as contracts, leases, governing documents, floor plans, and loan documents.

Homeowners Associations: A contract for the resale or initial sale of a lot within a development containing 12 or fewer lots to a member of the public who intends to occupy or rent the lot for residential purposes is not enforceable by the vendor unless specific conditions are met. For example, in addition to other items, the vendor must provide, in writing:

- a statement as to whether the lot is located within a development;

- information on the current monthly fees or assessments imposed by the HOA upon a lot; and
- a statement whether any of the fees, assessments, or other charges against the lot are delinquent.

In addition to other documents, the contract of sale must also provide copies of the articles of incorporation, the declaration, all recorded covenants and restrictions, the bylaws, and the rules of the development.

Certificates and Information for the Resale of Condominium Units

Request: Under current law, on written request by the unit owner, the council of unit owners must provide within 20 days a certificate containing the information necessary to enable the unit owner to comply with the above requirements. An owner providing a certificate, as mentioned above, is not liable to the purchaser for any erroneous information provided by the governing body and included in the certificate. The bill repeals these provisions and instead requires that the governing body include the required information on its website in a downloadable format, not including information pertaining to an individual unit.

Fees: Under current law, the written request from a unit owner must be accompanied by any reasonable fee charged by the council of unit owners; the fee may be up to \$250 but may not exceed the actual cost to the council of unit owners to provide the information. The bill repeals this fee authorization and instead requires the council to provide the information at no cost in the manner mentioned above.

Under current law, the council of unit owners may charge a reasonable fee of up to \$100 for an inspection of unit owner's unit. The bill specifies that the council of unit owners may charge this fee for providing unit-specific information, including the inspection of the unit. This requested information must be provided within 14 days of the request. A unit owner may request expedited processing, and in addition to the fee described above pay an additional reasonable fee not exceeding \$100. The bill requires that the expedited request be completed within 7 days.

Under current law, a council of unit owners is also entitled to a reasonable fee of up to \$50 for delivery of the certificate within 14 days after a written request, or a fee of up to \$100 for delivery of the certificate within 7 days. The bill repeals this fee schedule and specifies that a council of unit owners or its agents may only collect fees associated with creating or sending the information above.

Certificates and Information for the Resale of Lots within a Homeowners Associations

Request: Under current law, to facilitate the disclosure requirements relevant to the bill, an HOA, a management agent of an HOA, or any authorized officer or agent of an HOA

must provide specified information to a lot owner within 20 days after receiving a written request from the lot owner. The bill repeals these provisions and instead requires the governing body or management agent to make the information available on its website in a downloadable format, not including information pertaining to an individual lot.

Fees: Under current law, the written request from a lot owner must be accompanied by any reasonable fee charged by the HOA; the fee may be up to \$250 but may not exceed the actual cost to the HOA to provide the information. The bill repeals the fee authorization and instead requires the governing body to provide the information at no cost in the manner mentioned above.

Under current law, an HOA is also entitled to a reasonable fee of up to \$50 for delivery of the information within 14 days after a written request, or a fee of up to \$100 for delivery of the information within 7 days. The bill specifies that the governing body or its agents may charge a fee up to \$50 for providing lot-specific information, including, as applicable, an inspection of the lot, and requires the governing body to provide the requested information within 14 days after the request. A lot owner may request expedited processing, and, in addition to the fee described above, pay an additional reasonable fee not exceeding \$100. The bill requires that an expedited request be completed within 7 days. The HOA, the management agency, or their agent is entitled only to the fees associated with creating or sending the information described above.

For additional information on cooperative housing corporations, condominiums, and HOAs, see the **Appendix – Common Ownership Communities**.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See HB 1221 of 2025.

Designated Cross File: None.

Information Source(s): Office of the Attorney General (Consumer Protection Division); Department of Housing and Community Development; Department of Legislative Services

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jg/jkb

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Appendix – Common Ownership Communities

When a person purchases a single-family home, condominium, or an interest in a cooperative housing corporation, the person may also be required to join an association of owners, which is intended to act in the common interests of all the homeowners, condominium unit owners, or cooperative owners in the community. Collectively, these associations are often referred to as common ownership communities (COCs). In Maryland, a growing number of newly constructed or newly converted residences are located in some form of a COC. Because registration of the various COCs is not required statewide, the exact number of COCs in Maryland is unknown. However, the Foundation for Community Association Research estimated that there were 7,200 community associations with an estimated 1.1 million residents in these associations in the State in 2024.

The affairs of a condominium are governed by a council of unit owners, which comprises all unit owners. Among other powers, the council of unit owners has the power to impose assessments on the unit owners to pay common expenses. A council of unit owners may delegate its powers to a board of directors, officers, or a managing agent. Condominiums are governed under Title 11 of the Real Property Article.

Many new housing developments are subject to a homeowner's association (HOA) that is created by a governing document and has the authority to impose mandatory fees on lots in the development in connection with the provision of services or for the benefit of the lots, the lot owners, or the common areas. HOAs are governed under Title 11B of the Real Property Article.

A cooperative housing corporation or “cooperative” is a corporation that owns real property. A resident of a cooperative does not own an individual unit; instead, the person owns an interest in the corporation, which leases the unit to the person for residential use. Cooperatives are governed by the laws in Title 5, Subtitle 6B of the Corporations and Associations Article.

Condominiums and HOAs may be authorized by their governing documents to impose liens on units or lots to collect unpaid assessments or fees. In a cooperative, the governing documents usually provide for the collection of delinquent fees, and evictions for outstanding fees are generally pursued by way of a landlord-tenant action.