

MD-HB-107 AMENDMENT/ADDENDUM



LOCAL
ACCURATE
TRUSTED

ADDENDUM NO _____

PROPERTY: _____

SELLER: _____

BUYER: _____

We, the undersigned parties acknowledge the following:

Effective 10/1/2023 Maryland House Bill 107 Reserve Studies for Maryland Community Associations

The Maryland General Assembly passed new legislation, **House Bill 107 (HB 107)**, requiring that community associations statewide conduct a Reserve Study (and update that Reserve Study every five years) of the reserves needed for future major repairs and replacement of the common elements of a cooperative housing corporation or condominium, or the common areas of a homeowner's association (HOA).

This bill affects the following properties:

- Cooperative Housing Corporations
- Residential Condominiums
- An HOA that has responsibility under its declaration for maintaining and repairing common areas for which initial purchase and installation costs for all components identified under existing statutory provisions total at least \$10,000.

This bill will enable the associations included to meet their legal, fiduciary, and professional requirements. It will also protect, preserve, and enhance a community's property values, provide a planned replacement for major common items, and minimize the need for special assessments.

All other terms and conditions of the Contract of Sale shall remain the same and in full force and effect.

Buyer's Signature

Date

Buyer's Signature

Date

Seller's Signature

Date

Seller's Signature

Date

Disclosure: The Coastal Association of REALTORS® provides this information as a service to its members and the public. This notice is for informational purposes only and should not be construed as legal advice. All individuals and entities are responsible for conducting their own due diligence and consulting with legal or regulatory professionals regarding the implications of these ordinances.

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