

HOUSE BILL NO. 213

INTRODUCED BY DOZIER

IN THE HOUSE

January 13, 1983	Introduced and referred to Committee on Business and Industry.
January 28, 1983	Committee recommend bill do pass as amended. Report adopted.
January 29, 1983	Bill printed and placed on members' desks.
January 31, 1983	Second reading, do pass.
February 1, 1983	Considered correctly engrossed.
February 2, 1983	Third reading, passed. Transmitted to Senate.

IN THE SENATE

February 3, 1983	Introduced and referred to Committee on Business and Industry.
March 25, 1983	Committee recommend bill be concurred in. Report adopted.
March 26, 1983	Second reading, concurred in.
March 28, 1983	Third reading, concurred in. Ayes, 44; Noes, 3.

IN THE HOUSE

March 28, 1983	Returned to House.
March 29, 1983	Sent to enrolling. Reported correctly enrolled.

AN ACT REQUIRING THE SELLER OF A CONDOMINIUM UNIT TO NOTIFY PROSPECTIVE BUYERS OF THE EXISTENCE OF A CONTROLLING INTEREST IN THE CONDOMINIUM PROJECT AND OF THAT CONTROL OVER THE ASSOCIATION BYLAWS AND REGULATIONS; REQUIRING THE SELLER OF ANY CONDOMINIUM UNIT OR HIS AGENT TO FURNISH A BUYER WITH COPIES OF THE CONDOMINIUM BYLAWS, REGULATIONS, AND GOVERNING LAW; ALLOWING A PROSPECTIVE PURCHASER A PERIOD TO WITHDRAW WITHOUT PENALTY; AMENDING SECTION 70-23-606, MCA.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Disclosure by seller -- seller to furnish documents -- delay period. (1) Whenever a person, corporation, or other legal entity constitutes a majority of the unit owners, the seller or his agent, prior to signing any buy-sell agreement, shall give to any person purchasing or expressing a desire to purchase one of the project units notice that:

(a) the seller or other person constitutes a majority of the unit owners;

(b) any bylaws and administrative regulations governing the operation of the development and the association, as adopted by the association, have been adopted by the seller or other person acting as a majority of the unit owners; and

(c) any change in the bylaws or administrative regulations occurring while the seller or other person constitutes a majority of the unit owners may be made only with the approval of the

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5 OF A CONDOMINIUM PROJECT OWNING A CONTROLLING INTEREST IN
6 THE PROJECT TO NOTIFY PROSPECTIVE BUYERS OF THAT INTEREST
7 AND HIS CONTROL OVER THE ASSOCIATION BYLAWS AND REGULATIONS;
8 REQUIRING THE SELLER OF ANY CONDOMINIUM UNIT OR HIS AGENT TO
9 FURNISH A BUYER WITH COPIES OF THE CONDOMINIUM BYLAWS,
10 REGULATIONS, AND GOVERNING LAW; AMENDING SECTION 70-23-606,
11 MCA."
12
13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
14 NEW SECTION. Section 1. Disclosure by developer --
15 seller to furnish documents. (1) Whenever a project
16 developer constitutes a majority of the unit owners, the
17 developer or his agent shall give to any person purchasing
18 or expressing a desire to purchase one of the project units
19 notice that:
20 (a) the developer constitutes a majority of the unit
21 owners;
22 (b) any bylaws and administrative regulations
23 governing the operation of the development and the
24 association, as adopted by the association, have been
25 adopted by the developer acting as a majority of the unit

1 owners; and
2 (c) any change in the bylaws or administrative
3 regulations occurring while the developer constitutes a
4 majority of the unit owners may be made only with the
5 approval of the developer.
6 (2) Upon the request of any person purchasing or
7 expressing a desire to purchase one of the project units,
8 the seller or his agent shall furnish to that buyer or
9 prospective buyer a copy of the Unit Ownership Act, the
10 bylaws of the association, and any administrative
11 regulations governing the operation of the project or the
12 association.
13 Section 2. Section 70-23-606, MCA, is amended to read:
14 "70-23-606. Records of receipts and expenditures
15 affecting common elements -- inspection. (1) The manager
16 shall keep detailed accurate records in chronological order
17 of the receipts and expenditures affecting the common
18 elements, itemizing the maintenance and repair expenses of
19 the common elements and any other expenses incurred.
20 (2) Such records and the vouchers authorizing the
21 payments ~~and receipts for payments~~ shall be available for
22 examination ~~at the manager's place of business~~ by the unit
23 owners at convenient hours of weekdays."
24 NEW SECTION. Section 3. Codification instruction.
25 Section 1 is intended to be codified as an integral part of

- 1 Title 70, chapter 23, and the provisions of Title 70,
- 2 chapter 23, apply to section 1.

-End-

Approved by Committee
on Business and Industry

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THAT-INTEREST THE EXISTENCE OF A CONTROLLING INTEREST IN THE
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ASSOCIATION BYLAWS AND REGULATIONS; REQUIRING THE SELLER OF
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LAW; ALLOWING A PROSPECTIVE PURCHASER A PERIOD TO WITHDRAW
WITHOUT PENALTY; AMENDING SECTION 70-23-606, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Disclosure by developer
SELLER -- seller to furnish documents -- DELAY PERIOD. (1)
Whenever a project-developer PERSON, CORPORATION, OR OTHER
LEGAL ENTITY constitutes a majority of the unit owners, the
developer SELLER or his agent, PRIOR TO SIGNING ANY BUY-SELL
AGREEMENT, shall give to any person purchasing or expressing
a desire to purchase one of the project units notice that:
(a) the developer SELLER OR OTHER PERSON constitutes a
majority of the unit owners;

(b) any bylaws and administrative regulations

governing the operation of the development and the
association, as adopted by the association, have been
adopted by the developer SELLER OR OTHER PERSON acting as a
majority of the unit owners; and

(c) any change in the bylaws or administrative
regulations occurring while the developer SELLER OR OTHER
PERSON constitutes a majority of the unit owners may be made
only with the approval of the developer SELLER OR OTHER
PERSON CONSTITUTING A MAJORITY OF UNIT OWNERS.

(2) Upon the request of any person purchasing or
expressing a desire to purchase one of the project units,
the seller or his agent shall furnish to that buyer or
prospective buyer, PRIOR TO SIGNING ANY BUY-SELL AGREEMENT,
a copy of the Unit Ownership Act, the bylaws of the
association, and any administrative regulations governing
the operation of the project or the association.

(3) ANY BUY-SELL AGREEMENT SHALL PROVIDE THAT IT IS
NOT EFFECTIVE UNTIL 72 HOURS AFTER THE PROSPECTIVE PURCHASER
HAS RECEIVED THE DOCUMENTS REQUIRED IN SUBSECTION (2), AND
DURING THAT DELAY THE PROSPECTIVE PURCHASER MAY WITHDRAW HIS
OFFER WITHOUT PENALTY.

Section 2. Section 70-23-606, MCA, is amended to read:

"70-23-606. Records of receipts and expenditures
affecting common elements -- inspection. (1) The manager
shall keep detailed accurate records in chronological order

1 of the receipts and expenditures affecting the common
2 elements, itemizing the maintenance and repair expenses of
3 the common elements and any other expenses incurred.

4 (2) Such records and the vouchers authorizing the
5 payments and receipts for payments shall be available for
6 examination at the manager's place of business by the unit
7 owners at convenient hours of weekdays."

8 NEW SECTION. Section 3. Codification instruction.
9 Section 1 is intended to be codified as an integral part of
10 Title 70, chapter 23, and the provisions of Title 70,
11 chapter 23, apply to section 1.

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