HOUSE BILL NO. 213

INTRODUCED BY DOZIER

IN THE HOUSE

	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	IN THE SENATE Introduced and referred to Committee on Business and Industry.
February 3, 1983 March 25, 1983	Introduced and referred to Committee on Business and
<u>.</u>	Introduced and referred to Committee on Business and Industry. Committee recommend bill be concurred in. Report
March 25, 1983	Introduced and referred to Committee on Business and Industry. Committee recommend bill be concurred in. Report adopted.
March 25, 1983 March 26, 1983	Introduced and referred to Committee on Business and Industry. Committee recommend bill be concurred in. Report adopted. Second reading, concurred in. Third reading, concurred in.
March 25, 1983 March 26, 1983	Introduced and referred to Committee on Business and Industry. Committee recommend bill be concurred in. Report adopted. Second reading, concurred in. Third reading, concurred in. Ayes, 44; Noes, 3.

Reported correctly enrolled.

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

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

Section 1. Disclosure by seller -- seller to furnish documents -- delay pariod. (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

House	RTIL NO.	2/3
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INTRODUCED BY

A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE DEVELOPER OF A CONDOMINIUM PROJECT DWNING A CONTROLLING INTEREST IN THE PROJECT TO NOTIFY PROSPECTIVE BUYERS OF THAT INTEREST AND HIS 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 BYLAMS, REGULATIONS, AND GOVERNING LAW; AMENDING SECTION 70-23-606, MCA."

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

NEW SECTIONs Section 1. Disclosure by developer — seller to furnish documents. (1) Whenever a project developer constitutes a majority of the unit owners, the developer or his agent shall give to any person purchasing or expressing a desire to purchase one of the project units notice that:

- (a) the developer constitutes a majority of the unit
- (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 acting as a majority of the unit

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.

(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 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.

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

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

24 <u>NEW SECTION</u>. 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.

1	HOUSE BILL NO. 213
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4	A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE BEVELOPER
5	SELLER OF A CONDOMINIUM PROJECTOWNINGACONTROLLENG
6	INTEREST-IN-THE-PROJECT UNII TO NOTIFY PROSPECTIVE BUYERS OF
7	*HAT-INTEREST THE EXISTENCE OF A CONTROLLING INTEREST IN THE
B	CONDOMINIUM PROJECT AND HES DE THAT CONTROL OVER THE
9	ASSOCIATION BYLAWS AND REGULATIONS; REQUIRING THE SELLER OF
10	ANY CONDOMINIUM UNIT OR HIS AGENT TO FURNISH A BUYER WITH
11	COPIES OF THE CONDOMINIUM BYLAMS, REGULATIONS, AND GOVERNING
12	LAN; ALLOHING A PROSPECTIVE PURCHASER A PERIOD TO HITHORAN
13	HITHOUT PENALTY: AMENDING SECTION 70-23-606, MCA.**
14	
15	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
16	NEW_SECTION. Section 1. Disclosure by developer
17	SELLER seller to furnish documents == DELAY PERIOD. (1)
18	Whenever a project-developer PERSON. CORPORATION. OR OTHER
19	LEGAL ENTITY constitutes a majority of the unit owners, the
20	developer SELLER or his agent, PRIOR TO SIGNING ANY BUY-SELL
21	ACREENENT: shall give to any person purchasing or expressing
22	a desire to purchase one of the project units notice that:
23	(a) the developer <u>SELLER_DR_DIUER_PERSON</u> constitutes a
24	majority of the unit owners;
25	(b) any bylaws and administrative regulations

1	governing	the	operatio	on of	the	developmen	nt and	ti	ne
2	associati	on, as	adopted	by the	e as	sociationy	have	bee	en
3	adopted	by the	developer	SELLER_	DR_QI	HER_PERSON	acting	as	a
4	majority	of the	unit owner	rs; and					

- 5 (c) any change in the bylaws or administrative
 6 regulations occurring while the developer SELLER OR OTHER
 7 PERSON constitutes a majority of the unit owners may be made
 8 only with the approval of the developer SELLER OR OTHER
 9 PERSON CONSTITUTING A MAJORITY OF UNIT OWNERS.
- 10 (2) Upon the request of any person purchasing or
 11 expressing a desire to purchase one of the project units,
 12 the seller or his agent shall furnish to that buyer or
 13 prospective buyer. PRIOR TO SIGNING ANY BUY-SELL AGREEMENT.
 14 a copy of the Unit Ownership Act, the bylaws of the
 15 association, and any administrative regulations governing
 16 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

 OURING THAT DELAY THE PROSPECTIVE PURCHASER MAY WITHORAW HIS

 OFFER WITHOUT PENALTY.

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

70-23-606. Records of receipts and expenditures

feeting common elements -- inspection. (1) The manager

shall keep detailed accurate records in chronological order

- of the receipts and expenditures affecting the common lements. Itemizing the maintenance and repair expenses of the common elements and any other expenses incurred.
 - (2) Such records and the vouchers authorizing the payments and receipts for payments shall be available for examination at the manager's place of business by the unit owners at convenient hours of weekdays.*

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8 <u>NEH_SECTION</u>. 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.

HB 0213/02

1	HOUSE BILL NO. 213
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4	A BILL FOR AN ACT ENTITLED: "AN ACT REQUIRING THE BEVELOPER
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7	THAT-INTEREST INE EXISIENCE DE A CONTROLLING INTEREST IN THE
8	CONDOMINIUM PROJECI AND HES OF THAT CONTROL OVER THE
9	ASSOCIATION BYLAWS AND REGULATIONS; REQUIRING THE SELLER OF
10	ANY CONDOMINIUM UNIT OR HIS AGENT TO FURNISH A BUYER WITH
11	COPIES OF THE CONDOMINIUM BYLANS, REGULATIONS, AND GOVERNING
12	LAN: ALLONING A PROSPECTIVE PURCHASER A PERIOD TO HITHORAN
13	WITHOUT PENALTY: AMENDING SECTION 70-23-606, MCA.M
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15	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
16	NEW SECTION. Section 1. Disclosure by developer
17	SELLER seller to furnish documents == DELAY_PERIOD. (1)
18	Whenever a project-developer PERSONs_CORPORATIONs_OR_GIHER
19	LEGAL ENTITY constitutes a majority of the unit owners. the
20	developer SELLER or his agent, PRIOR IO SIGNING ANY BUY-SELL
21	AGREEHENT: shall give to any person purchasing or expressing
22	a desire to purchase one of the project units notice that:
23	(a) the developer <u>SELLER OR OTHER PERSON</u> constitutes a
24	majority of the unit owners;
25	(b) any bylaws and administrative regulations

HOUSE BILL NO. 213

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1	governing the operation of the development and the
2	association, as adopted by the association, have been
3	adopted by the developer SELLER OR OTHER PERSON acting as a
4	majority of the unit owners; and
5	(c) any change in the bylaws or administrative
6	regulations occurring while the developer SELLER OR GINER
7	PERSON constitutes a majority of the unit owners may be made
8	only with the approval of the developer SELLER OR OTHER
9	• 273MNO_TIMU_30_YIIROLAM_A_DMITUTITIZMD2_MG2839
10	(2) Upon the request of any person purchasing or
11	expressing a desire to purchase one of the project units,
12	the seller or his agent shall furnish to that buyer or
13	prospective buyer. PRIOR TO SIGNING ANY BUY-SELL AGREEMENT.
14	a copy of the Unit Ownership Act, the bylaws of the
15	association, and any administrative regulations governing
16	the operation of the project or the association.
17	131 ANY BUY-SELL AGREENENT SHALL PROVIDE THAT IT IS
18	NOT_EFFECTIVE_UNTIL_72_HTURS_AFTER_THE_PROSPECTIVE_PURCHASER
19	HAS RECEIVED THE DOCUMENTS REQUIRED IN SUBSECTION (2). AND
20	DURING_THAT_DELAY_THE_PROSPECTIVE_PURCHASER_MAY_MITHORAM_HIS
21	DEEER_MITHOUT_PENALTY.
22	Section 2. Section 70-23-606, MCA, is amended to read:
23	*70-23-606. Records of receipts and expenditures
24	affecting common elements inspection. (1) The manager
25	shall keep detailed accurate records in chronological order

of the receipts and expenditures affecting the common elements. Itemizing the maintenance and repair expenses of the common elements and any other expenses incurred.

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- (2) Such records and the vouchers authorizing the payments and receipts for payments shall be available for examination at the eanager's clace of business by the unit owners at convenient hours of weekdays.**
- 8 <u>YEM_SECTIONs</u> 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.

48th Legislature HS 0213/02 HB 0213/02

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10	ANY COMBONINIUM UNIT OR HIS AGENT TO FURNISH A BUYER WITH
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25	(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 <u>SELLER OR OTHER PERSON</u> acting as a majority of the unit owners; and (c) any change in the bylaws or administrative regulations occurring while the developer SELLER OR GIHER 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 ID 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 121: AND DURING THAT DELAY THE PROSPECTIVE PURCHASER MAY WITHORAW 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

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