

AMENDED IN ASSEMBLY APRIL 7, 2014  
AMENDED IN ASSEMBLY MARCH 20, 2014  
CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2430**

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**Introduced by Assembly Member Maienschein**

February 21, 2014

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An act to amend Sections 4528 and 4530 of the Civil Code, relating to common interest developments.

LEGISLATIVE COUNSEL'S DIGEST

AB 2430, as amended, Maienschein. Transfer disclosures.

The Davis-Stirling Common Interest Development Act requires an association, upon written request, to provide the owner of a separate interest, or a recipient authorized by the owner, with a copy of specific documents relating to transfer disclosures that the owner is required to make to a prospective purchaser of the owner's separate interest. That act authorizes the association to collect a reasonable cost for delivery of those documents but prohibits any additional fees for electronic delivery.

This bill would require the cost for providing the required documents to be separately stated and billed from other charges that are part of the transfer or sales transaction ~~and would make conforming changes to a codified form.~~ This bill *would authorize an association to collect a reasonable fee from a seller for its actual costs in providing documents under these provisions and would also require a seller to be responsible for paying the cost compensating an association, person, or entity for providing documents under these provisions* ~~and. This bill would also require a seller to provide a prospective purchaser with required certain~~

current documents *that* the seller possesses free of charge. This bill would prohibit a seller from giving a prospective purchaser the required documents bundled with other documents. *This bill would make conforming changes to a codified form.*

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 4528 of the Civil Code is amended to  
2 read:  
3 4528. The form for billing disclosures required by Section  
4 4530 shall be in at least 10-point type and substantially the  
5 following form:

6  
7 CHARGES FOR DOCUMENTS PROVIDED AS REQUIRED BY SECTION  
8 4525\*

- 9
- 10
- 11 Property Address
- 12
- 13 Owner of Property
- 14
- 15 Owner’s Mailing Address (If known or different from property address.)
- 16
- 17
- 18 Provider of the Section 4525 Items:
- 19
- 20
- 21
- 22 Print Name \_\_\_\_\_ Position or Title \_\_\_\_\_ Association or Agent
- 23
- 24 Date Form Completed
- 25
- 26 Check or Complete Applicable Column or Columns Below
- 27

1			Not Available
2	Document	Civil Code Section	(N/A), Not
3		Included	Document Applicable
4			(N/App), or
5			Directly
6			Provided by
7			<i>Seller and</i>
8			<i>confirmed in</i>
9			<i>writing by</i>
10			<i>Seller as a</i>
11			<i>current</i>
12			<i>document (DP)</i>
13			
14	Articles of Incorporation or	Section 4525(a)(1)	
15	statement that not incorporated		
16			
17	CC&Rs	Section 4525(a)(1)	
18			
19	Bylaws	Section 4525(a)(1)	
20			
21	Operating Rules	Section 4525(a)(1)	
22			
23	Age restrictions, if any	Section 4525(a)(2)	
24	Rental restrictions, if any	Section 4525(a)(9)	
25	Annual budget report or	Sections 5300 and	
26	summary, including reserve	4525(a)(3)	
27	study		
28			
29	Assessment and reserve	Sections 5300 and	
30	funding disclosure summary	4525(a)(4)	
31			
32	Financial statement review	Sections 5305 and	
33		4525(a)(3)	
34			
35	Assessment enforcement policy	Sections 5310 and	
36		4525(a)(4)	
37			
38	Insurance summary	Sections 5300 and	
39		4525(a)(3)	
40			

1	Regular assessment	Section 4525(a)(4)
2		
3	Special assessment	Section 4525(a)(4)
4		
5	Emergency assessment	Section 4525(a)(4)
6		
7	Other unpaid obligations of	Sections 5675 and
8	seller	4525(a)(4)
9		
10	Approved changes to	Sections 5300 and
11	assessments	4525(a)(4), (8)
12		
13	Settlement notice regarding	Sections
14	common area defects	4525(a)(6), (7),
15		and 6100
16		
17	Preliminary list of defects	Sections
18		4525(a)(6), 6000,
19		and 6100
20		
21	Notice(s) of violation	Sections 5855 and
22		4525(a)(5)
23		
24	Required statement of fees	Section 4525
25		
26	Minutes of regular board	Section
27	meetings conducted over the	4525(a)(10)
28	previous 12 months, if	
29	requested	
30		

31 Total fees for these documents:

32  
33 \* The information provided by this form may not include all fees that may be  
34 imposed before the close of escrow. Additional fees that are not related to the  
35 requirements of Section 4525 shall be charged separately.

36  
37 SEC. 2. Section 4530 of the Civil Code is amended to read:  
38 4530. (a) (1) Upon written request, the association shall,  
39 within 10 days of the mailing or delivery of the request, provide  
40 the owner of a separate interest, or any other recipient authorized

1 by the owner, with a copy of all of the requested documents  
2 specified in Section 4525.

3 (2) The documents required to be made available pursuant to  
4 this section may be maintained in electronic form, and may be  
5 posted on the association's Internet Web site. Requesting parties  
6 shall have the option of receiving the documents by electronic  
7 transmission if the association maintains the documents in  
8 electronic form.

9 (3) Delivery of the documents required by this section shall not  
10 be withheld for any reason nor subject to any condition except the  
11 payment of the fee authorized pursuant to subdivision (b).

12 (b) (1) The association may collect a reasonable fee from the  
13 seller based upon the *association's* actual cost for the procurement,  
14 preparation, reproduction, and delivery of the documents requested  
15 pursuant to this section. Additional fees shall not be charged for  
16 the electronic delivery *in lieu of a hard copy delivery* of the  
17 documents requested.

18 (2) Upon receipt of a written request, the association shall  
19 provide, on the form described in Section 4528, a written or  
20 electronic estimate of the fees that will be assessed for providing  
21 the requested documents.

22 (3) (A) A cancellation fee for documents specified in  
23 subdivision (a) shall not be collected if either of the following  
24 applies:

25 (i) The request was canceled in writing by the same party that  
26 placed the order and work had not yet been performed on the order.

27 (ii) The request was canceled in writing and any work that had  
28 been performed on the order was compensated.

29 (B) The association shall refund all fees collected pursuant to  
30 paragraph (1) if the request was canceled in writing and work had  
31 not yet been performed on the order.

32 (C) If the request was canceled in writing, the association shall  
33 refund the share of fees collected pursuant to paragraph (1) that  
34 represents the portion of the work not performed on the order.

35 (4) Fees for any documents required by this section shall be  
36 distinguished from, separately stated, and separately billed from,  
37 all other fees, fines, or assessments billed as part of the transfer or  
38 sales transaction.

39 (5) Any documents not expressly required by Section 4525 to  
40 be provided to a prospective purchaser by the seller shall not be

1 included in the document disclosure required by this section.  
2 Bundling of documents required to be provided pursuant to this  
3 section with other documents relating to the transaction is  
4 prohibited.

5 (6) A seller shall provide to the prospective purchaser, at no  
6 cost, *current* copies of any documents specified by Section 4525  
7 that are in the possession of the seller.

8 (7) The fee for each document provided to the seller for the  
9 purpose of transmission to the prospective purchaser shall be  
10 individually itemized in the statement required to be provided by  
11 the seller to the prospective purchaser.

12 (8) It is the responsibility of the seller to compensate the  
13 association, person, or entity that provides the documents required  
14 to be provided by Section 4525 to the prospective purchaser.

15 (c) An association may contract with any person or entity to  
16 facilitate compliance with this section on behalf of the association.

17 (d) The association shall also provide a recipient authorized by  
18 the owner of a separate interest with a copy of the completed form  
19 specified in Section 4528 at the time the required documents are  
20 delivered.