



CALL Alert for July 1, 2010—Comprehensive Community Association Bill (SB 1196) Goes Into Effect Today

The comprehensive community association bill that passed during the 2010 Legislative Session goes into effect today, July 1, 2010.

The highlights of this bill include:

- Increases the "statutory cap" (amount that a foreclosing first mortgagee must pay) to the lesser of 12-months unpaid common expenses and regular periodic assessments or 1% of the original mortgage debt.
- Provides for the ability to collect owner monetary obligations from tenants.
- Provides for condominium suspension of voting rights and use rights.
- Extends time for retrofitting elevators with Phase II Firefighters' Service.
- Exempts certain buildings less than 4 stories in height from requirement for manual fire alarms.
- Extends time to comply with fire sprinkler retrofitting requirements and provides the ability to opt out of fire sprinkler retrofitting in common areas and units.
- No more mandatory HO-6 policies (i.e., no more mandatory unit policies by individual owners).
- Provides that additional official records are exempt from owner inspection (such as owner contact information and personnel records).
- No more candidate certificate forms--replaced with Board member certification form or education.
- Clarifies the reserve requirements for HOA's.

Look for a full analysis of SB 1196 and the other community association bills in the upcoming July edition of the Community Update.

Sincerely,

Yeline Goin and David Muller, Co-Executive Directors
Community Association Leadership Lobby (CALL)

Please visit our "CALL" Website at www.callbp.com to view the full text of the bills "CALL"

is tracking.