

VIRGINIA ACTS OF ASSEMBLY — CHAPTER

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An Act to amend and reenact §§ 55-79.97, 55-79.97:1, 55-509.3, 55-509.4, and 55-509.6 of the Code of Virginia, relating to the Condominium Act and Property Owners' Association Act; allowable fees.

[H 900]

Approved

Be it enacted by the General Assembly of Virginia:

1. That §§ 55-79.97, 55-79.97:1, 55-509.3, 55-509.4, and 55-509.6 of the Code of Virginia are amended and reenacted as follows:

§ 55-79.97. Resale by purchaser.

A. In the event of any resale of a condominium unit by a unit owner other than the declarant, and subject to the provisions of subsection F and § 55-79.87 A, the unit owner shall disclose in the contract that (i) the unit is located within a development which is subject to the Condominium Act, (ii) the Act requires the seller to obtain from the unit owners' association a resale certificate and provide it to the purchaser, (iii) the purchaser may cancel the contract within three days after receiving the resale certificate or being notified that the resale certificate will not be available, (iv) if the purchaser has received the resale certificate, the purchaser has a right to request a resale certificate update or financial update in accordance with § 55-79.97:1, as appropriate, and (v) the right to receive the resale certificate and the right to cancel the contract are waived conclusively if not exercised before settlement.

For purposes of clause (iii), the resale certificate shall be deemed not to be available if (a) a current annual report has not been filed by the unit owners' association with either the State Corporation Commission pursuant to § 13.1-936 or the Common Interest Community Board pursuant to § 55-79.93:1, (b) the seller has made a written request to the unit owners' association that the resale certificate be provided and no such resale certificate has been received within 14 days in accordance with subsection C, or (c) written notice has been provided by the unit owners' association that a resale certificate is not available.

B. If the contract does not contain the disclosure required by subsection A, the purchaser's sole remedy is to cancel the contract prior to settlement.

C. The information contained in the resale certificate shall be current as of a date specified on the resale certificate. A resale certificate update or a financial update may be requested as provided in § 55-79.97:1, as appropriate. The purchaser may cancel the contract (i) within three days after the date of the contract, if the purchaser receives the resale certificate on or before the date that the purchaser signs the contract; (ii) within three days after receiving the resale certificate if the resale certificate is hand delivered or, delivered by electronic means, or delivered by a commercial overnight delivery service or the United Parcel Service, and a receipt obtained; or (iii) within six days after the postmark date if the resale certificate is sent to the purchaser by United States mail. Notice of cancellation shall be provided to the unit owner or his agent by one of the following methods:

a. Hand delivery;

b. United States mail, postage prepaid, provided the sender retains sufficient proof of mailing, which may be either a United States postal certificate of mailing or a certificate of service prepared by the sender confirming such mailing;

c. Electronic means provided the sender retains sufficient proof of the electronic delivery, which may be an electronic receipt of delivery, a confirmation that the notice was sent by facsimile, or a certificate of service prepared by the sender confirming the electronic delivery; or

d. Overnight delivery using a commercial service or the United States Postal Service.

In the event of a dispute, the sender shall have the burden to demonstrate delivery of the notice of cancellation. Such cancellation shall be without penalty, and the unit owner shall cause any deposit to be returned promptly to the purchaser.

A resale certificate shall include the following:

1. An appropriate statement pursuant to subsection H of § 55-79.84 which need not be notarized and, if applicable, an appropriate statement pursuant to § 55-79.85;

2. A statement of any expenditure of funds approved by the unit owners' association or the executive organ which shall require an assessment in addition to the regular assessment during the current or the immediately succeeding fiscal year;

3. A statement, including the amount, of all assessments and any other fees or charges currently imposed by the unit owners' association, together with any known post-closing fee charged by the common interest community manager, if any, and associated with the purchase, disposition and

57 maintenance of the condominium unit and the use of the common elements, and the status of the
58 account;

59 4. A statement whether there is any other entity or facility to which the unit owner may be liable for
60 fees or other charges;

61 5. The current reserve study report or a summary thereof, a statement of the status and amount of
62 any reserve or replacement fund and any portion of the fund designated for any specified project by the
63 executive organ;

64 6. A copy of the unit owners' association's current budget or a summary thereof prepared by the unit
65 owners' association and a copy of the statement of its financial position (balance sheet) for the last fiscal
66 year for which a statement is available, including a statement of the balance due of any outstanding
67 loans of the unit owners' association;

68 7. A statement of the nature and status of any pending suits or unpaid judgments to which the unit
69 owners' association is a party which either could or would have a material impact on the unit owners'
70 association or the unit owners or which relates to the unit being purchased;

71 8. A statement setting forth what insurance coverage is provided for all unit owners by the unit
72 owners' association, including the fidelity bond maintained by the unit owners' association, and what
73 additional insurance coverage would normally be secured by each individual unit owner;

74 9. A statement that any improvements or alterations made to the unit, or the limited common
75 elements assigned thereto, are or are not in violation of the condominium instruments;

76 10. A copy of the current bylaws, rules and regulations and architectural guidelines adopted by the
77 unit owners' association and the amendments thereto;

78 11. A statement of whether the condominium or any portion thereof is located within a development
79 subject to the Property Owners' Association Act (§ 55-508 et seq.) of Chapter 26 of this title;

80 12. A copy of the notice given to the unit owner by the unit owners' association of any current or
81 pending rule or architectural violation;

82 13. A copy of any approved minutes of the executive organ and unit owners' association meetings for
83 the six calendar months preceding the request for the resale certificate;

84 14. Certification that the unit owners' association has filed with the Common Interest Community
85 Board the annual report required by § 55-79.93:1; which certification shall indicate the filing number
86 assigned by the Common Interest Community Board and the expiration date of such filing;

87 15. A statement of any limitation on the number of persons who may occupy a unit as a dwelling;

88 16. A statement setting forth any restrictions, limitation or prohibition on the right of a unit owner to
89 display the flag of the United States, including, but not limited to reasonable restrictions as to the size,
90 time, place, and manner of placement or display of such flag;

91 17. A statement setting forth any restriction, limitation, or prohibition on the right of a unit owner to
92 install or use solar energy collection devices on the unit owner's property; and

93 18. A statement indicating any known project approvals currently in effect issued by secondary
94 mortgage market agencies.

95 Failure to receive a resale certificate shall not excuse any failure to comply with the provisions of
96 the condominium instruments, articles of incorporation, or rules or regulations.

97 The resale certificate shall be delivered in accordance with the written request and instructions of the
98 seller or his authorized agent, including whether the resale certificate shall be delivered electronically or
99 in hard copy, *at the option of the seller or his authorized agent*, and shall specify the complete contact
100 information for the parties to whom the resale certificate shall be delivered. The resale certificate shall
101 be delivered within 14 days of receipt of such request. The resale certificate shall not, in and of itself,
102 be deemed a security within the meaning of § 13.1-501.

103 D. The seller or his authorized agent may request that the resale certificate be provided in hard copy
104 or in electronic form. A unit owners' association or common interest community manager may provide
105 the resale certificate electronically; however, the seller or his authorized agent shall have the right to
106 request that the resale certificate be provided in hard copy. The seller or his authorized agent shall
107 continue to have the right to request a hard copy of the resale certificate in person at the principal place
108 of business of the unit owners' association. If the seller or his authorized agent requests that the resale
109 certificate be provided in electronic format, neither the unit owners' association nor its common interest
110 community manager may require the seller or his authorized agent to pay any fees to use the provider's
111 electronic network or system. If the seller or his authorized agent asks that the resale certificate be
112 provided in electronic format, the seller or his authorized agent may designate no more than two
113 additional recipients to receive the resale certificate in electronic format at no additional charge.

114 E. Subject to the provisions of § 55-79.87, but notwithstanding any other provisions of this chapter,
115 the provisions and requirements of this section shall apply to any such resale of a condominium unit
116 created under the provisions of the Horizontal Property Act (§ 55-79.1 et seq.).

117 F. The resale certificate required by this section need not be provided in the case of:

- 118 1. A disposition of a unit by gift;
- 119 2. A disposition of a unit pursuant to court order if the court so directs;
- 120 3. A disposition of a unit by foreclosure or deed in lieu of foreclosure; or
- 121 4. A disposition of a unit by a sale at auction, when the resale certificate was made available as part
- 122 of the auction package for prospective purchasers prior to the auction.

123 G. In any transaction in which a resale certificate is required and a trustee acts as the seller in the
 124 sale or resale of a unit, the trustee shall obtain the resale certificate from the unit owners' association
 125 and provide the resale certificate to the purchaser.

126 **§ 55-79.97:1. Fees for resale certificate.**

127 A. The unit owners' association may charge fees as authorized by this section for the inspection of
 128 the property, the preparation and issuance of the resale certificate required by § 55-79.97, and for such
 129 other services as are set out in this section. *Nothing in this chapter shall be construed to authorize the*
 130 *unit owners' association or common interest community manager to charge an inspection fee for a unit*
 131 *except as provided in this section.*

132 B. A reasonable fee may be charged by the preparer of the resale certificate as follows for:

133 1. The inspection of the unit, as authorized in the declaration and as required to prepare the resale
 134 certificate, a fee not to exceed \$100;

135 2. The preparation and delivery of the resale certificate in (i) paper format, a fee not to exceed \$150
 136 for no more than two hard copies, or (ii) electronic format, a fee not to exceed a total of \$125, for ~~no~~
 137 ~~more than two~~ *an electronic copies copy to each of the following named in the request: the seller, the*
 138 *seller's authorized agent, the purchaser, the purchaser's authorized agent, and not more than one other*
 139 *person designated by the requestor.* Only one fee shall be charged for the preparation and delivery of
 140 the resale certificate;

141 3. At the option of the seller or his authorized agent, with the consent of the unit owners' association
 142 or the common interest community manager, expediting the inspection, preparation, and delivery of the
 143 resale certificate, an additional expedite fee not to exceed \$50;

144 4. At the option of the seller or his authorized agent, an additional hard copy of the resale certificate,
 145 a fee not to exceed \$25 per hard copy;

146 5. At the option of the seller or his authorized agent, a fee not to exceed an amount equal to the
 147 actual cost paid to a third-party commercial delivery service for hand delivery or overnight delivery of
 148 the resale certificate; and

149 6. A post-closing fee to the purchaser of the unit, collected at settlement, for the purpose of
 150 establishing the purchaser as the owner of the unit in the records of the unit owners' association, a fee
 151 not to exceed \$50.

152 Neither the unit owners' association nor its common interest community manager shall require cash,
 153 check, certified funds, or credit card payments at the time the request for the resale certificate is made.
 154 The resale certificate shall state that all fees and costs for the resale certificate shall be the personal
 155 obligation of the unit owner and shall be an assessment against the unit and collectible as any other
 156 assessment in accordance with the provisions of the condominium instruments and § 55-79.83, if not
 157 paid at settlement or within 45 days of the delivery of the resale certificate, whichever occurs first.

158 For purposes of this section, an expedite fee shall only be charged if the inspection and preparation
 159 of delivery of the resale certificate are completed within five business days of the request for a resale
 160 certificate.

161 C. No fees other than those specified in this section, and as limited by this section, shall be charged
 162 by the unit owners' association or its common interest community manager for compliance with the
 163 duties and responsibilities of the unit owners' association under this section. *No additional fee shall be*
 164 *charged for access to the unit owners' association's or common interest community manager's website.*
 165 The unit owners' association or its common interest community manager shall publish and make
 166 available in paper or electronic format, or both, a schedule of the applicable fees so that the seller or his
 167 authorized agent will know such fees at the time of requesting the resale certificate.

168 D. Any fees charged pursuant to this section shall be collected at the time settlement occurs on the
 169 sale of the unit and shall be due and payable out of the settlement proceeds in accordance with this
 170 section. The seller shall be responsible for all costs associated with the preparation and delivery of the
 171 resale certificate, except for the costs of any resale certificate update or financial update, which costs
 172 shall be the responsibility of the requestor, payable at settlement. Neither the unit owners' association
 173 nor its common interest community manager shall require cash, check, certified funds, or credit card
 174 payments at the time the request is made for the resale certificate.

175 E. If settlement does not occur within 45 days of the delivery of the resale certificate, or funds are
 176 not collected at settlement and disbursed to the unit owners' association or the common interest
 177 community manager, all fees, including those costs that would have otherwise been the responsibility of
 178 the purchaser or settlement agent, shall be (i) assessed within one year after delivery of the resale

179 certificate against the unit owner, (ii) the personal obligation of the unit owner, and (iii) an assessment
 180 against the unit and collectible as any other assessment in accordance with the provisions of the
 181 condominium instruments and § 55-79.83. The seller may pay the unit owners' association by cash,
 182 check, certified funds, or credit card, if credit card payment is an option offered by the unit owners'
 183 association. The unit owners' association shall pay the common interest community manager the amount
 184 due from the unit owner within 30 days after invoice.

185 F. The maximum allowable fees charged in accordance with this section shall adjust every five years,
 186 as of January 1 of that year, in an amount equal to the annual increases for that five-year period in the
 187 United States Average Consumer Price Index for all items, all urban consumers (CPI-U), as published
 188 by the Bureau of Labor Statistics of the U.S. Department of Labor.

189 G. If a resale certificate has been issued within the preceding 12-month period, a person specified in
 190 the written instructions of the seller or his authorized agent, including the seller or his authorized agent
 191 or the purchaser or his authorized agent, may request a resale certificate update. The requestor shall
 192 specify whether the resale certificate update shall be delivered electronically or in hard copy and shall
 193 specify the complete contact information of the parties to whom the update shall be delivered. The
 194 resale certificate update shall be delivered within 10 days of the written request.

195 H. The settlement agent may request a financial update. The requestor shall specify whether the
 196 financial update shall be delivered electronically or in hard copy and shall specify the complete contact
 197 information of the parties to whom the update shall be delivered. The financial update shall be delivered
 198 within three business days of the written request.

199 I. A reasonable fee for the resale certificate update or financial update may be charged by the
 200 preparer, not to exceed \$50. At the option of the purchaser or his authorized agent, the requestor may
 201 request that the unit owners' association or the common interest community manager perform an
 202 additional inspection of the unit, as authorized in the declaration, for a fee not to exceed \$100. Any fees
 203 charged for the specified update shall be collected at the time settlement occurs on the sale of the
 204 property. Neither the unit owners' association nor its common interest community manager, if any, shall
 205 require cash, check, certified funds, or credit card payments at the time the request is made for the
 206 resale certificate update. The requestor may request that the specified update be provided in hard copy
 207 or in electronic form.

208 J. No unit owners' association or common interest community manager may require the requestor to
 209 request the specified update electronically. The seller or his authorized agent shall continue to have the
 210 right to request a hard copy of the specified update in person at the principal place of business of the
 211 unit owners' association. If the requestor asks that the specified update be provided in electronic format,
 212 neither the unit owners' association nor its common interest community manager may require the
 213 requester to pay any fees to use the provider's electronic network or system. A copy of the specified
 214 update shall be provided to the seller or his authorized agent.

215 K. When a resale certificate has been delivered as required by § 55-79.97, the unit owners'
 216 association shall, as to the purchaser, be bound by the statements set forth therein as to the status of the
 217 assessment account and the status of the unit with respect to any violation of the condominium
 218 instruments as of the date of the statement unless the purchaser had actual knowledge that the contents
 219 of the resale certificate were in error.

220 L. If the unit owners' association or its common interest community manager has been requested in
 221 writing to furnish the resale certificate required by § 55-79.97, failure to provide the resale certificate
 222 substantially in the form provided in this section shall be deemed a waiver of any claim for delinquent
 223 assessments or of any violation of the declaration, bylaws, rules and regulations, or architectural
 224 guidelines existing as of the date of the request with respect to the subject unit. The preparer of the
 225 resale certificate shall be liable to the seller in an amount equal to the actual damages sustained by the
 226 seller in an amount not to exceed \$1,000. The purchaser shall nevertheless be obligated to abide by the
 227 condominium instruments, rules and regulations, and architectural guidelines of the unit owners'
 228 association as to all matters arising after the date of the settlement of the sale.

229 **§ 55-509.3. Association charges.**

230 Except as expressly authorized in this chapter, in the declaration, or otherwise provided by law, no
 231 association may (i) make an assessment or impose a charge against a lot or a lot owner unless the
 232 charge is a fee for services provided or related to use of the common area or (ii) charge a fee related to
 233 the provisions set out in § 55-509.6 or 55-509.7 that is not expressly authorized in those sections.
 234 *Nothing in this chapter shall be construed to authorize an association or common interest community*
 235 *manager to charge an inspection fee for an unimproved or improved lot except as provided in*
 236 *§ 55-509.6 or 55-509.7.*

237 **§ 55-509.4. Contract disclosure statement; right of cancellation.**

238 A. Subject to the provisions of subsection A of § 55-509.10, a person selling a lot shall disclose in
 239 the contract that (i) the lot is located within a development that is subject to the Virginia Property

240 Owners' Association Act (§ 55-508 et seq.); (ii) the Act requires the seller to obtain from the property
 241 owners' association an association disclosure packet and provide it to the purchaser; (iii) the purchaser
 242 may cancel the contract within three days after receiving the association disclosure packet or being
 243 notified that the association disclosure packet will not be available; (iv) if the purchaser has received the
 244 association disclosure packet, the purchaser has a right to request an update of such disclosure packet in
 245 accordance with subsection H of § 55-509.6 or subsection C of § 55-509.7, as appropriate; and (v) the
 246 right to receive the association disclosure packet and the right to cancel the contract are waived
 247 conclusively if not exercised before settlement.

248 For purposes of clause (iii), the association disclosure packet shall be deemed not to be available if
 249 (a) a current annual report has not been filed by the association with either the State Corporation
 250 Commission pursuant to § 13.1-936 or with the Common Interest Community Board pursuant to
 251 § 55-516.1, (b) the seller has made a written request to the association that the packet be provided and
 252 no such packet has been received within 14 days in accordance with subsection A of § 55-509.5, or (c)
 253 written notice has been provided by the association that a packet is not available.

254 B. If the contract does not contain the disclosure required by subsection A, the purchaser's sole
 255 remedy is to cancel the contract prior to settlement.

256 C. The information contained in the association disclosure packet shall be current as of a date
 257 specified on the association disclosure packet prepared in accordance with this section; however, a
 258 disclosure packet update or financial update may be requested in accordance with subsection H of
 259 § 55-509.6 or subsection C of § 55-509.7, as appropriate. The purchaser may cancel the contract: (i)
 260 within three days after the date of the contract, if on or before the date that the purchaser signs the
 261 contract, the purchaser receives the association disclosure packet or is notified that the association
 262 disclosure packet will not be available; (ii) within three days after receiving the association disclosure
 263 packet if the association disclosure packet or notice that the association disclosure packet will not be
 264 available is hand delivered ~~or~~, delivered by electronic means, *or delivered by a commercial overnight*
 265 *delivery service or the United Parcel Service*, and a receipt obtained; or (iii) within six days after the
 266 postmark date if the association disclosure packet or notice that the association disclosure packet will not
 267 be available is sent to the purchaser by United States mail. The purchaser may also cancel the contract
 268 at any time prior to settlement if the purchaser has not been notified that the association disclosure
 269 packet will not be available and the association disclosure packet is not delivered to the purchaser.
 270 Notice of cancellation shall be provided to the lot owner or his agent by one of the following methods:

271 1. Hand delivery;

272 2. United States mail, postage prepaid, provided the sender retains sufficient proof of mailing, which
 273 may be either a United States postal certificate of mailing or a certificate of service prepared by the
 274 sender confirming such mailing;

275 3. Electronic means provided the sender retains sufficient proof of the electronic delivery, which may
 276 be an electronic receipt of delivery, a confirmation that the notice was sent by facsimile, or a certificate
 277 of service prepared by the sender confirming the electronic delivery; or

278 4. Overnight delivery using a commercial service or the United States Postal Service.

279 In the event of a dispute, the sender shall have the burden to demonstrate delivery of the notice of
 280 cancellation. Such cancellation shall be without penalty, and the seller shall cause any deposit to be
 281 returned promptly to the purchaser.

282 D. Whenever any contract is canceled based on a failure to comply with subsection A or C or
 283 pursuant to subsection B, any deposit or escrowed funds shall be returned within 30 days of the
 284 cancellation, unless the parties to the contract specify in writing a shorter period.

285 E. Any rights of the purchaser to cancel the contract provided by this chapter are waived
 286 conclusively if not exercised prior to settlement.

287 F. Except as expressly provided in this chapter, the provisions of this section and § 55-509.5 may not
 288 be varied by agreement, and the rights conferred by this section and § 55-509.5 may not be waived.

289 **§ 55-509.6. Fees for disclosure packet; professionally managed associations.**

290 A. A professionally managed association or its common interest community manager may charge
 291 certain fees as authorized by this section for the inspection of the property, the preparation and issuance
 292 of the disclosure packet required by § 55-509.5, and for such other services as set out in this section.
 293 The seller or his authorized agent shall specify *in writing* whether the disclosure packet shall be
 294 delivered electronically or in hard copy, *at the option of the seller or his authorized agent*, and shall
 295 specify the complete contact information for the parties to whom the disclosure packet shall be
 296 delivered. If the seller or his authorized agent specifies that delivery shall be made to the purchaser or
 297 his authorized agent or settlement agent, the preparer shall provide the disclosure packet directly to the
 298 designated persons, at the same time it is delivered to the seller or his authorized agent.

299 B. A reasonable fee may be charged by the preparer as follows for:

300 1. The inspection of the exterior of the dwelling unit and the lot, as authorized in the declaration and

301 as required to prepare the association disclosure packet, a fee not to exceed \$100;

302 2. The preparation and delivery of the disclosure packet in (i) paper format, a fee not to exceed \$150
303 for no more than two hard copies or (ii) electronic format, a fee not to exceed a total of \$125 for ~~no~~
304 ~~more than two~~ an electronic ~~copies~~ copy to each of the following named in the request: the seller, the
305 seller's authorized agent, the purchaser, the purchaser's authorized agent, and not more than one other
306 person designated by the requestor. Only one fee shall be charged for the preparation and delivery of
307 the disclosure packet;

308 3. At the option of the seller or his authorized agent, with the consent of the association or the
309 common interest community manager, expediting the inspection, preparation and delivery of the
310 disclosure packet, an additional expedite fee not to exceed \$50;

311 4. At the option of the seller or his authorized agent, an additional hard copy of the disclosure
312 packet, a fee not to exceed \$25 per hard copy;

313 5. At the option of the seller or his authorized agent, a fee not to exceed an amount equal to the
314 actual cost paid to a third-party commercial delivery service for hand delivery or overnight delivery of
315 the association disclosure packet; and

316 6. A post-closing fee to the purchaser of the property, collected at settlement, for the purpose of
317 establishing the purchaser as the owner of the property in the records of the association, a fee not to
318 exceed \$50.

319 Except as otherwise provided in subsection E, neither the association nor its common interest
320 community manager shall require cash, check, certified funds or credit card payments at the time the
321 request for the disclosure packet is made. The disclosure packet shall state that all fees and costs for the
322 disclosure packet shall be the personal obligation of the lot owner and shall be an assessment against the
323 lot and collectible as any other assessment in accordance with the provisions of the declaration and
324 § 55-516, if not paid at settlement or within 45 days of the delivery of the disclosure packet, whichever
325 occurs first.

326 For purposes of this section, an expedite fee shall only be charged if the inspection and preparation
327 of delivery of the disclosure packet are completed within five business days of the request for a
328 disclosure packet.

329 C. No fees other than those specified in this section, and as limited by this section, shall be charged
330 by the association or its common interest community manager for compliance with the duties and
331 responsibilities of the association under this chapter. *No additional fee shall be charged for access to the*
332 *association's or common interest community manager's website.* The association or its common interest
333 community manager shall publish and make available in paper or electronic format, or both, a schedule
334 of the applicable fees so the seller or his authorized agent will know such fees at the time of requesting
335 the packet.

336 D. Any fees charged pursuant to this section shall be collected at the time of settlement on the sale
337 of the lot and shall be due and payable out of the settlement proceeds in accordance with this section.
338 The seller shall be responsible for all costs associated with the preparation and delivery of the
339 association disclosure packet, except for the costs of any disclosure packet update or financial update,
340 which costs shall be the responsibility of the requestor, payable at settlement. Neither the association nor
341 its common interest community manager shall require cash, check, certified funds, or credit card
342 payments at the time of the request is made for the association disclosure packet.

343 E. If settlement does not occur within 45 days of the delivery of the disclosure packet, or funds are
344 not collected at settlement and disbursed to the association or the common interest community manager,
345 all fees, including those costs that would have otherwise been the responsibility of the purchaser or
346 settlement agent, shall be (i) assessed within one year after delivery of the disclosure packet against the
347 lot owner, (ii) the personal obligation of the lot owner, and (iii) an assessment against the lot and
348 collectible as any other assessment in accordance with the provisions of the declaration and § 55-516.
349 The seller may pay the association by cash, check, certified funds, or credit card, if credit card payment
350 is an option offered by the association. The association shall pay the common interest community
351 manager the amount due from the lot owner within 30 days after invoice.

352 F. The maximum allowable fees charged in accordance with this section shall adjust every five years,
353 as of January 1 of that year, in an amount equal to the annual increases for that five-year period in the
354 United States Average Consumer Price Index for all items, all urban consumers (CPI-U), as published
355 by the Bureau of Labor Statistics of the U.S. Department of Labor.

356 G. If an association disclosure packet has been issued for a lot within the preceding 12-month period,
357 a person specified in the written instructions of the seller or his authorized agent, including the seller or
358 his authorized agent, or the purchaser or his authorized agent may request a disclosure packet update.
359 The requestor shall specify whether the disclosure packet update shall be delivered electronically or in
360 hard copy, and shall specify the complete contact information of the parties to whom the update shall be
361 delivered. The disclosure packet update shall be delivered within 10 days of the written request.

362 H. The settlement agent may request a financial update. The requestor shall specify whether the
363 financial update shall be delivered electronically or in hard copy, and shall specify the complete contact
364 information of the parties to whom the update shall be delivered. The financial update shall be delivered
365 within three business days of the written request.

366 I. A reasonable fee for the disclosure packet update or financial update may be charged by the
367 preparer not to exceed \$50. At the option of the purchaser or his authorized agent, the requestor may
368 request that the association or the common interest community manager perform an additional inspection
369 of the exterior of the dwelling unit and the lot, as authorized in the declaration, for a fee not to exceed
370 \$100. Any fees charged for the specified update shall be collected at the time settlement occurs on the
371 sale of the property. Neither the association nor its common interest community manager, if any, shall
372 require cash, check, certified funds, or credit card payments at the time the request is made for the
373 disclosure packet update. The requestor may request that the specified update be provided in hard copy
374 or in electronic form.

375 J. No association or common interest community manager may require the requestor to request the
376 specified update electronically. The seller or his authorized agent shall continue to have the right to
377 request a hard copy of the specified update in person at the principal place of business of the
378 association. If the requestor asks that the specified update be provided in electronic format, neither the
379 association nor its common interest community manager may require the requester to pay any fees to
380 use the provider's electronic network or system. A copy of the specified update shall be provided to the
381 seller or his authorized agent.

382 K. When an association disclosure packet has been delivered as required by § 55-509.5, the
383 association shall, as to the purchaser, be bound by the statements set forth therein as to the status of the
384 assessment account and the status of the lot with respect to any violation of the declaration, bylaws,
385 rules and regulations, architectural guidelines and articles of incorporation, if any, of the association as
386 of the date of the statement unless the purchaser had actual knowledge that the contents of the
387 disclosure packet were in error.

388 L. If the association or its common interest community manager has been requested in writing to
389 furnish the association disclosure packet required by § 55-509.5, failure to provide the association
390 disclosure packet substantially in the form provided in this section shall be deemed a waiver of any
391 claim for delinquent assessments or of any violation of the declaration, bylaws, rules and regulations, or
392 architectural guidelines existing as of the date of the request with respect to the subject lot. The preparer
393 of the association disclosure packet shall be liable to the seller in an amount equal to the actual damages
394 sustained by the seller in an amount not to exceed \$1,000. The purchaser shall nevertheless be obligated
395 to abide by the declaration, bylaws, rules and regulations, and architectural guidelines of the association
396 as to all matters arising after the date of the settlement of the sale.