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Maryland Senate Judicial Proceedings Committee
Senate Bill 471 – Condominiums – Disclosures to Unit Owners and Prohibited Provisions in
Instruments by Developers (Sunset Island Act)
Hearing: Wednesday, February 12 at noon

Position: SUPPORT, with amendments

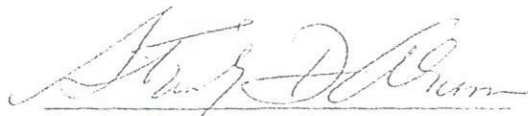
Thank you for the opportunity to comment in support of Senate Bill 471-2020, the Sunset Island Act. By way of introduction, I represented the City of Gaithersburg as its City Attorney for 25 years, the Town of Laytonsville as its Town Counsel for 15 years and earlier in my legal career as an Assistant County Attorney for Montgomery County. I drafted the Consumer Protection Law for Montgomery County and worked for its passage.

I am one of many condominium unit owners in the Sunset Island, condominiums in Ocean City, Maryland who are faced with a \$50,000.00 special assessment to correct building and safety code violations by the builder of our community. This Bill will not directly affect our current situation but will protect future condo purchasers and owners from having their rights adversely impacted by "non-disclosure" provisions in agreements by condominium boards with builders, contractors and others.

A non-disclosure provision between our building and our original condominium board insisted upon by the builder as part of an agreement to undertake repairs to safety and code violation has harmed many unit owners who were unaware that their home warranty rights had been bargained away by the original condo board. Likewise, they were not and could not be informed of the building deficiencies due to the non-disclosure provisions. Since the agreement was not recorded, they had no independent way of knowing of the agreement in a title search prior to closing. In short, we had no actual or constructive notice of the agreement or reasons leading up to the agreement. The condo board was contractually precluded from informing anyone of The Agreement.

The foundation for consumer protection is transparency and fair dealing. This Bill will ensure that condo boards must act responsibly and fully inform their constituency of any pending agreement that may bind them to their detriment.

Thank you for considering these comments.



Stanley D. Abrams, Esq.

cc: Roger Williams
Cindy Ardinger