
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1840 Session of
2021

INTRODUCED BY MERCURI, R. BROWN, CIRESI, GAYDOS, HELM,
M. MACKENZIE, N. NELSON, RADER, RYAN, SILVIS AND SMITH,
SEPTEMBER 8, 2021

REFERRED TO COMMITTEE ON URBAN AFFAIRS, SEPTEMBER 8, 2021

AN ACT

1 Amending Title 68 (Real and Personal Property) of the
2 Pennsylvania Consolidated Statutes, in protection of
3 purchasers, further providing for public offering statement
4 and general provisions and for resales of units; in
5 protection of cooperative interest purchasers, further
6 providing for public offering statement and general
7 provisions and for resales of cooperative interests; and, in
8 protection of purchasers, further providing for public
9 offering statement and general provisions and for resales of
10 units.

11 The General Assembly of the Commonwealth of Pennsylvania
12 hereby enacts as follows:

13 Section 1. Section 3402(a) introductory paragraph of Title
14 68 of the Pennsylvania Consolidated Statutes is amended and the
15 subsection is amended by adding a paragraph to read:

16 § 3402. Public offering statement; general provisions.

17 (a) General rule.--Except as provided in subsection (b), a
18 declarant shall furnish to a purchaser, prior to the day of the
19 execution of any contract for sale of a unit, a public offering
20 statement. The public offering statement must contain or fully
21 and accurately disclose:

1 * * *

2 (27) A statement, in a font four times greater than the
3 font in any other statement in the certificate, which shall
4 be acknowledged and signed by the purchaser and in the
5 following form:

6 "I have received a copy of the bylaws of the
7 community to review and I understand the bylaws. I
8 understand that the bylaws and declaration of this
9 community are the governing documents and a binding
10 contract between myself and the community, and I must
11 abide by all bylaws, rules and regulations outlined
12 in the documents. I also understand that this
13 community is governed by an elected board of unit
14 owners. I understand that disputes, concerns or legal
15 issues that may arise in my time as a unit owner
16 would, in most cases, be civil legal concerns; except
17 in extreme circumstances of fraud and abuse, are
18 otherwise noted as applicable provisions for
19 complaints to the Bureau of Consumer Protection in
20 the Office of Attorney General or have specific
21 stated penalties."

22 * * *

23 Section 2. Section 3407(a) introductory paragraph and (b) of
24 Title 68 are amended and subsection (a) is amended by adding a
25 paragraph to read:

26 § 3407. Resales of units.

27 (a) Information supplied by unit owner.--In the event of a
28 resale of a unit by a unit owner other than a declarant, the
29 unit owner shall furnish to a purchaser [**before**], prior to the
30 day of the execution of any contract for sale of a unit, [**or**

1 otherwise before conveyance,] a copy of the declaration (other
2 than the plats and plans), the bylaws, the rules or regulations
3 of the association and a certificate containing:

4 * * *

5 (18) A statement, in a font four times greater than the
6 font in any other statement in the certificate, which shall
7 be acknowledged and signed by the purchaser and in the
8 following form:

9 "I have received a copy of the bylaws of the
10 community to review and I understand the bylaws. I
11 understand that the bylaws and declaration of this
12 community are the governing documents and a binding
13 contract between myself and the community, and I must
14 abide by all bylaws, rules and regulations outlined
15 in the documents. I also understand that this
16 community is governed by an elected board of unit
17 owners. I understand that disputes, concerns or legal
18 issues that may arise in my time as a unit owner
19 would, in most cases, be civil legal concerns; except
20 in extreme circumstances of fraud and abuse, are
21 otherwise noted as applicable provisions for
22 complaints to the Bureau of Consumer Protection in
23 the Office of Attorney General or have specific
24 stated penalties."

25 (b) Information supplied by association.--The association,
26 within ten days after a request by a unit owner, shall furnish a
27 certificate containing the information under subsection (a) and
28 copies of documents necessary to enable the unit owner to comply
29 with this section. Except for the actual costs incurred to
30 furnish the certificate and the copies of the necessary

1 documents, the association may not impose a fee on a unit owner
2 for the certificate and the copies of the necessary documents to
3 comply with the deadline specified under this subsection. A unit
4 owner providing a certificate pursuant to subsection (a) is not
5 liable to the purchaser for any erroneous information provided
6 by the association and included in the certificate.

7 * * *

8 Section 3. Section 4403(a) introductory paragraph of Title
9 68 is amended and the subsection is amended by adding a
10 paragraph to read:

11 § 4403. Public offering statement; general provisions.

12 (a) General rule.--Except as provided in subsection (b), a
13 declarant shall furnish to a purchaser, prior to the day of the
14 execution of any contract for sale of a unit, a public offering
15 statement must contain or fully and accurately disclose:

16 * * *

17 (28) A statement, in a font four times greater than the
18 font in any other statement in the certificate, which shall
19 be acknowledged and signed by the purchaser and in the
20 following form:

21 "I have received a copy of the bylaws of the
22 community to review and I understand the bylaws. I
23 understand that the bylaws and declaration of this
24 community are the governing documents and a binding
25 contract between myself and the community, and I must
26 abide by all bylaws, rules and regulations outlined
27 in the documents. I also understand that this
28 community is governed by an elected board of
29 unit owners. I understand that disputes, concerns
30 or legal issues that may arise in my time as

1 a unit owner would, in most cases, be civil legal
2 concerns; except in extreme circumstances of fraud
3 and abuse, are otherwise noted as applicable
4 provisions for complaints to the Bureau of Consumer
5 Protection in the Office of Attorney General or have
6 specific stated penalties."

7 * * *

8 Section 4. Section 4409(a) introductory paragraph and (b) of
9 Title 68 are amended and subsection (a) is amended by adding a
10 paragraph to read:

11 § 4409. Resales of cooperative interests.

12 (a) Information supplied by proprietary lessee.--Except in
13 the case of a sale where delivery of a public offering statement
14 is required or unless the transaction is exempt under section
15 4401(b) (relating to applicability; waiver), a proprietary
16 lessee shall furnish to a purchaser [before], prior to the day
17 of the execution of any contract of sale of a cooperative
18 interest[or, if there is no contract of sale, before the time
19 of conveyance a copy of the declaration (other than the plats
20 and plans)], the bylaws and the rules or regulations of the
21 association, including all amendments to such documents to the
22 date of their delivery to the purchaser, and a certificate
23 containing:

24 * * *

25 (22) A statement, in a font four times greater than the
26 font in any other statement in the certificate, which shall
27 be acknowledged and signed by the purchaser and in the
28 following form:

29 "I have received a copy of the bylaws of the
30 community to review and I understand the bylaws. I

1 understand that the bylaws and declaration of this
2 community are the governing documents and a binding
3 contract between myself and the community, and I must
4 abide by all bylaws, rules and regulations outlined
5 in the documents. I also understand that this
6 community is governed by an elected board of
7 unit owners. I understand that disputes, concerns
8 or legal issues that may arise in my time as
9 a unit owner would, in most cases, be civil legal
10 concerns; except in extreme circumstances of fraud
11 and abuse, are otherwise noted as applicable
12 provisions for complaints to the Bureau of Consumer
13 Protection in the Office of Attorney General or have
14 specific stated penalties."

15 (b) Information supplied by association.--The association,
16 within ten days after a request by a proprietary lessee, shall
17 furnish the documents and a certificate containing the
18 information under subsection (a) necessary to enable the
19 proprietary lessee to comply with this section. Except for the
20 actual costs incurred to furnish the documents and the
21 certificate, the association may not impose a fee on a
22 proprietary lessee for the documents and the certificate to
23 comply with the deadline specified under this subsection. A
24 proprietary lessee providing a certificate pursuant to
25 subsection (a) is not liable to the purchaser for any erroneous
26 information provided by the association and included in or
27 delivered with the certificate.

28 * * *

29 Section 5. Section 5402(a) introductory paragraph of Title
30 68 is amended and the subsection is amended by adding a

1 paragraph to read:

2 § 5402. Public offering statement; general provisions.

3 (a) General rule.--Except as provided in subsection (b), a
4 declarant shall furnish to a purchaser, prior to the day of the
5 execution of any contract for sale of a unit, a public offering
6 statement must contain or fully and accurately disclose:

7 * * *

8 (30) A statement, in a font four times greater than the
9 font in any other statement in the certificate, which shall
10 be acknowledged and signed by the purchaser and in the
11 following form:

12 "I have received a copy of the bylaws of the
13 community to review and I understand the bylaws. I
14 understand that the bylaws and declaration of this
15 community are the governing documents and a binding
16 contract between myself and the community, and I must
17 abide by all bylaws, rules and regulations outlined
18 in the documents. I also understand that this
19 community is governed by an elected board of
20 unit owners. I understand that disputes, concerns
21 or legal issues that may arise in my time as
22 a unit owner would, in most cases, be civil legal
23 concerns; except in extreme circumstances of fraud
24 and abuse, are otherwise noted as applicable
25 provisions for complaints to the Bureau of Consumer
26 Protection in the Office of Attorney General or have
27 specific stated penalties."

28 * * *

29 Section 6. Section 5407(a) introductory paragraph and (b) of
30 Title 68 are amended and subsection (a) is amended by adding a

1 paragraph to read:

2 § 5407. Resales of units.

3 (a) Information supplied by unit owner.--In the event of a
4 resale of a unit by a unit owner other than a declarant, the
5 unit owner shall furnish to a purchaser [**before**], prior to the
6 day of the execution of any contract for sale of a unit [**or**
7 **otherwise before conveyance**], a copy of the declaration other
8 than the plats and plans, the bylaws, the rules or regulations
9 of the association and a certificate containing:

10 * * *

11 (18) A statement, in a font four times greater than the
12 font in any other statement in the certificate, which shall
13 be acknowledged and signed by the purchaser and in the
14 following form:

15 "I have received a copy of the bylaws of the
16 community to review and I understand the bylaws. I
17 understand that the bylaws and declaration of this
18 community are the governing documents and a binding
19 contract between myself and the community, and I must
20 abide by all bylaws, rules and regulations outlined
21 in the documents. I also understand that this
22 community is governed by an elected board of
23 unit owners. I understand that disputes, concerns
24 or legal issues that may arise in my time as
25 a unit owner would, in most cases, be civil legal
26 concerns; except in extreme circumstances of fraud
27 and abuse, are otherwise noted as applicable
28 provisions for complaints to the Bureau of Consumer
29 Protection in the Office of Attorney General or have
30 specific stated penalties."

1 (b) Information supplied by association.--The association,
2 within ten days after a request by a unit owner, shall furnish a
3 certificate containing the information under subsection (a) and
4 copies of documents necessary to enable the unit owner to comply
5 with this section. Except for the actual costs incurred to
6 furnish the certificate and the copies of the necessary
7 documents, the association may not impose a fee on a unit owner
8 for the certificate and the copies of the necessary documents to
9 comply with the deadline specified under this subsection. A unit
10 owner providing a certificate pursuant to subsection (a) is not
11 liable to the purchaser for any erroneous information provided
12 by the association and included in the certificate.

13 * * *

14 Section 7. This act shall take effect in 60 days.