

# Senate Bill No. 1173

## CHAPTER 91

An act to amend Section 4041 of the Civil Code, relating to common interest developments.

[Approved by Governor July 9, 2018. Filed with Secretary of State July 9, 2018.]

### LEGISLATIVE COUNSEL'S DIGEST

SB 1173, Vidak. Common interest developments: annual notices: time-share plan interests.

The Davis-Stirling Common Interest Development Act defines and regulates common interest developments. Existing law requires a common interest development to be managed by an association, which may be a nonprofit corporation or an unincorporated association created for the purpose of managing the development. Existing law requires the owner of a separate interest in a common interest development to annually provide the association with specified written information, including an address for the purpose of receiving notices from the association. Existing law requires the association to solicit these annual notices of each owner, and authorizes the association, when an owner fails to provide the required notice, to use the last address provided in writing by the owner, except as specified.

The Vacation Ownership and Time-share Act of 2004 requires the association for a time-share plan to maintain among its records a complete list of the names and addresses of all owners of interests in the time-share plan, to update this list no less than every 6 months, and to not publish this list or provide a copy of it to any time-share interest owner or to any 3rd party or use or sell the list for commercial purposes.

This bill would deem a common interest development association, which includes time-share plan interests that are part of a mixed-use project, to have complied with the notice requirements under the Davis-Stirling Common Interest Development Act if, at least once annually, it obtains from the time-share plan association a copy of the list of owners in the time-share plan and enters that data into its books and records. The bill would require the time-share plan association to provide this list to the common interest association at least annually for this purpose.

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

SECTION 1. Section 4041 of the Civil Code is amended to read:

4041. (a) An owner of a separate interest shall, on an annual basis, provide written notice to the association of all of the following:

(1) The address or addresses to which notices from the association are to be delivered.

(2) An alternate or secondary address to which notices from the association are to be delivered.

(3) The name and address of the owner's legal representative, if any, including any person with power of attorney or other person who can be contacted in the event of the owner's extended absence from the separate interest.

(4) Whether the separate interest is owner-occupied, is rented out, if the parcel is developed but vacant, or if the parcel is undeveloped land.

(b) The association shall solicit these annual notices of each owner and, at least 30 days prior to making its own required disclosure under Section 5300, shall enter the data into its books and records.

(c) If an owner fails to provide the notices set forth in paragraphs (1) and (2) of subdivision (a), the last address provided in writing by the owner or, if none, the property address shall be deemed to be the address to which notices are to be delivered.

(d) To the extent that interests regulated in Chapter 2 (commencing with Section 11210) of Part 2 of Division 4 of the Business and Professions Code are part of a mixed-use project where those interests comprise a portion of a common interest development, the association, as defined in Section 4040, shall be deemed compliant with this section if, at least once annually, it obtains from the time-share plan association a copy of the list described in subdivision (e) of Section 11273 of the Business and Professions Code, and enters the data into its books and records.

Notwithstanding subdivision (e) of Section 11273 of the Business and Professions Code, the time-share plan association shall provide the list to the association at least annually for this purpose.