

2025 Legislative Update

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2025 Legislative Update

Two primary sections of the code to look at:

POAA (Virginia Property Owners Association Act) – found at Va. Code 55.1-1800 et seq.
Condo Act (Virginia Condominium Act) – found at Va. Code 55.1-1900 et seq.

Lesser used code sections:

Federal Fair Housing Act (42 U.S.C. 3601)

Virginia Nonstock Corporations Act (VA. Code 13.1801, et seq.)

We will focus primarily on the POAA and Condo Act updates.

POAA Legislative Updates

HB 1209 – 2024 Session
55.1-1800

Added in the definition of Reserve Study:

"Reserve study" means a capital budget planning tool used to determine the physical status and estimated repair or replacement cost of capital components and an analysis of association funding capacity to maintain, repair, and replace capital components.

Legislative Updates – Lien Records

HB 880 – 2024 Session

Several different statutes updated regarding liens filed by Associations:

§ [8.01-463](#). Enforcement of lien when judgment does not exceed \$25,000.

~~If the amount of the judgment does not exceed \$25,000, exclusive of interest and costs, no~~ No bill to enforce ~~the~~ a lien, pursuant to § [8.01-462](#), ~~thereof~~ shall be entertained if the real estate is the judgment debtor's primary residence *and the amount of the judgment exclusive of interest and costs does not exceed \$25,000. However, if the judgment is for assessments levied by a common interest community association pursuant to Chapter 18 (§ [55.1-1800](#) et seq.), 19 (§ [55.1-1900](#) et seq.), 21 ([55.1-2100](#) et seq.), or 23 (§ [55.1-2300](#) et seq.) of Title 55.1, no bill to enforce a lien shall be entertained if the total amount secured by one or more judgments exclusive of interest and costs does not exceed \$5,000.*

Legislative Updates – Lien Records

HB 880 – 2024 Session

§ [55.1-1815](#). Access to association records; association meetings; notice. (POAA Version)

A. The association shall keep detailed records of receipts and expenditures affecting the operation and administration of the association. All financial books and records shall be kept in accordance with generally accepted accounting practices. *The association shall maintain individual assessment account records. The association shall maintain a record of any recorded lien at least as long as the lien remains effective.*

§ [55.1-1945](#). Books, minutes, and records; inspection. (Condo Version)

A. The declarant, managing agent, unit owners' association, or person specified in the bylaws of the association shall keep detailed records of the receipts and expenditures affecting the operation and administration of the condominium and specifying the maintenance and repair expenses of the common elements and any other expenses incurred by or on behalf of the association. Subject to the provisions of subsections B, C, and E, upon request, any unit owner shall be provided a copy of such records and minutes. All financial books and records shall be kept in accordance with generally accepted accounting practices. *The unit owners' association shall maintain individual assessment account records. The unit owners' association shall maintain a record of any recorded lien at least as long as the lien remains effective.*

Legislative Updates – Lien Records

HB 880 – 2024 Session

Several different statutes updated regarding liens filed by Associations:

§ [55.1-1833](#). Lien for assessments; foreclosure.

E. *Any lien perfected pursuant to subsection B may be enforced by filing a civil action to conduct a judicial foreclosure in the circuit court in the county or city where the lot is located or by nonjudicial foreclosure pursuant to subsections I and J.* No ~~action to enforce foreclosure of~~ any lien perfected under ~~subsection B~~ *this section* shall be ~~brought or action to foreclose any lien perfected under subsection I shall be~~ initiated after ~~36~~ *120* months from the time when the memorandum of lien was recorded; ~~however, the~~. *The* filing of ~~a petition~~ *a civil action* to enforce any such lien ~~in any action in which the petition may be properly filed~~ *by foreclosure through judicial means or issuance of notice of nonjudicial foreclosure under subdivision J 1* shall be regarded as the institution of an action under this section. Nothing in this subsection shall extend the time within which any such lien may be perfected.

* * *

G. When payment or satisfaction is made of a debt secured by ~~the~~ *any* lien perfected ~~by~~ *pursuant to* subsection B, ~~the~~ *such* lien shall be released in accordance with the provisions of § [55.1-339](#). Any lien that is not so released shall subject the lien creditor to the penalty set forth in subdivision B 1 of § [55.1-339](#). For the purposes of § [55.1-339](#), the principal officer of the association, or any other officer or officers as the declaration may specify, shall be deemed the duly authorized agent of the lien creditor.

Legislative Updates – Lien Records

HB 880 – 2024 Session

§ [55.1-1833](#). Lien for assessments; foreclosure. (POAA Version)

I. ~~At any time after perfecting the lien pursuant to this section, the property owners' association may sell the lot at public sale, subject to prior liens~~ *The association may conduct a judicial or nonjudicial foreclosure sale upon a lot against which the association has perfected one or more liens pursuant to this section if the total sums secured are in excess of \$5,000, exclusive of attorney fees and costs.* For purposes of this section, the association shall have the power both to sell and convey the lot and shall be deemed the lot owner's statutory agent for the purpose of transferring title to the lot.

Legislative Updates – Lien Records

HB 880 – 2024 Session

§ [55.1-1966](#). Lien for assessments; foreclosure. (Condo Version)

D. Any lien perfected pursuant to this section may be enforced by filing a civil action to conduct a judicial foreclosure in the circuit court in the county or city where the condominium is or a nonjudicial foreclosure pursuant to subsections I and J. ~~No action to enforce~~ foreclosure of any lien perfected under ~~subsection C~~ this section shall ~~be brought or action to~~ ~~foreclose any lien perfected under subsection I shall~~ be initiated after ~~36~~ 120 months from the time when the memorandum of lien was recorded; ~~however, the~~. The filing of a ~~petition~~ civil action to enforce any such lien ~~in any action in which such petition may be properly filed~~ by foreclosure through judicial means or issuance of notice of nonjudicial foreclosure under subdivision J 1 shall be regarded as the institution of an action under this section. Nothing in this subsection shall extend the time within which any such lien may be perfected.

E. The judgment in an action brought pursuant to this section shall include reimbursement for costs and attorney fees of the prevailing party. If the **unit owners'** association prevails, ~~it~~ **such unit owners' association** may also recover interest at the legal rate for the sums secured by the lien from the time each such sum became due and payable.

I. ~~At any time after perfecting the lien pursuant to this section, the unit owners' association may sell the unit at public sale, subject to prior liens~~ **The unit owners' association may conduct a judicial or nonjudicial foreclosure sale upon a unit against which the unit owners' association has perfected one or more liens pursuant to this section if the total sums secured are in excess of \$5,000, exclusive of attorney fees and costs.** For purposes of this section, the unit owners' association shall have the power both to sell and convey the unit and shall be deemed the unit owner's statutory agent for the purpose of transferring title to the unit.

Legislative Updates – Lien Records

HB 880 – 2024 Session

Big Takeaways:

Liens are now effective for 120 months (10 years!) from filing date

(prior length of time was 3 years for HOA; 1 year for condos)

BUT:

You cannot seek foreclosure until you have secured liens
totaling more than \$5000

What's staying the same?

HOA lien can only include 1 year of dues

Condo lien can only include 90 days of dues

Legislative Updates

HB 723 – 2024 Session

§ [55.1-1816](#). Meetings of the board of directors.

E. The requirements of this section govern the conduct of meetings of the board of directors without regard to whether the property owners' association is incorporated or unincorporated but shall not be interpreted to supersede corporate authorities otherwise established by law or the governing documents.

Legislative Updates – Authority to Borrow

HB 1209 – 2024 Session

§ [55.1-1825](#). Authority to levy additional assessments; authority to borrow.

A. In addition to all other assessments that are authorized in the declaration, the board of directors shall have the power to levy ~~a special~~ **an additional** assessment against its members if (i) the purpose in so doing is found by the board to be in the best interests of the association and (ii) the proceeds of the assessment are used primarily for the maintenance and upkeep of the common area and such other areas of association responsibility ~~expressly provided for in the declaration~~, including **maintenance, repair, and replacement** of capital ~~expenditures~~. ~~A majority of votes cast, in person or by proxy, at a meeting of the membership convened in accordance with the provisions of the association's bylaws within 60 days of promulgation of the notice of the assessment shall rescind or reduce the special assessment. No director or officer of the association shall be liable for failure to perform his fiduciary duty if a special assessment for the funds necessary for the director or officer to perform his fiduciary duty is rescinded by the owners pursuant to this section, and the association shall indemnify such director or officer against any damage resulting from any such claimed breach of fiduciary duty~~ **components**.

B. The failure of a member to pay the ~~special~~ **additional** assessment allowed by subsection A shall entitle the association to the lien provided by § [55.1-1833](#) as well as any other rights afforded a creditor under law.

C. The failure of a member to pay the ~~special~~ **additional** assessment allowed by subsection A will provide the association with the right to deny the member access to any or all of the common areas. However, the member shall not be denied direct access to the member's lot over ~~any road within the development that is~~ a common area.

D. Unless the declaration provides greater or lesser authority, the board of directors may borrow money on behalf of the association for maintenance, replacement, repair, and restoration of capital components and for funding recommended reserves and shall have the right and power to assign and pledge all revenues to be received by the association, including annual and additional assessments to secure the repayment of any sums borrowed by the association from time to time for such purposes.

Legislative Updates – Authority to Borrow

HB 1209 – 2024 Session

§ [55.1-1826](#). Annual budget; reserve study; reserves for capital components.

A. ~~Except to the extent provided in the declaration, the board of directors shall, prior~~ **Prior** to the commencement of the fiscal year, **the board of directors shall** make available to lot owners either (i) the annual budget of the association or (ii) a summary of such annual budget.

B. ~~Except to the extent otherwise provided in the declaration and unless the declaration imposes more stringent requirements, the~~ **The** board of directors shall:

1. Conduct at least once every five years a study to determine the necessity and amount of reserves required to repair, replace, and restore the capital components as defined in § [55.1-1800](#);
2. Review the results of that study at least annually to determine if reserves are sufficient; and
3. Make any adjustments **to the annual budget and annual assessment** the board of directors deems necessary to maintain reserves, as appropriate.

* * *

D. The board of directors shall have the discretion to meet repair and replacement requirements through replacement reserves, additional assessments, or borrowed funds.

Legislative Updates – Authority to Borrow

HB 1209 – 2024 Session

§ [55.1-1964](#). Liability for common expenses; late fees; additional assessment; authority to borrow.

E. ~~Except to the extent otherwise provided~~ *In addition to all other assessments authorized* in the condominium instruments, if the executive board determines that the assessments levied by the unit owners' association are insufficient to cover the common expenses of the unit owners' association, the executive board may levy an additional assessment against all of the units in proportion to their respective undivided interests in the common elements. The executive board shall give written notice to the unit owners stating the amount of, the reasons for, and the due date for payment of any additional assessment. If the additional assessment is to be paid in a lump sum, payment shall be due and payable no earlier than 90 days after delivery or mailing of the notice.

~~All unit owners shall be obligated to pay the additional assessment unless the unit owners by a majority of votes cast, in person or by proxy, at a meeting of the unit owners' association convened in accordance with the provisions of the condominium instruments within 60 days of the delivery or mailing of the notice required by this subsection, rescind or reduce the additional assessment. No director or officer of the unit owners' association shall be liable for failure to perform his fiduciary duty if an additional assessment for the funds necessary for the director or officer to perform his fiduciary duty is rescinded by the unit owners' association in accordance with this subsection. The unit owners' association shall indemnify such director or officer against any damage resulting from any claimed breach of fiduciary duty due to the assessment for the necessary funds rescinded by the unit owners' association in accordance with this subsection.~~

Legislative Updates – Authority to Borrow

HB 1209 – 2024 Session

§ [55.1-1964](#). Liability for common expenses; late fees; additional assessment; authority to borrow.

I. Unless the condominium instruments provide greater or lesser authority, the executive board may borrow money on behalf of the unit owners' association for maintenance, replacement, repair, and restoration of capital components and for funding recommended reserves and shall have the right and power to assign and pledge all revenues to be received by the unit owners' association, including annual assessments to secure the repayment of any sums borrowed by the unit owners' association for such purposes. Any unit owner who pays any creditor of the association a percentage of the total amount due to such creditor equal to such unit owner's common element interest in the condominium shall be entitled to obtain from such creditor a release of any judgment or lien that such creditor otherwise has the right to file against such unit owner's condominium unit or the unit owners' association. Such creditor shall not be entitled to assess the unit for payment of the remaining amount due such creditor.

Legislative Updates – Authority to Borrow

HB 1209 – 2024 Session

§ [55.1-1965](#). Annual budget; reserve study; reserves for capital components.

A. Except to the extent provided in the condominium instruments, the executive board shall, prior to the commencement of the fiscal year, make available to unit owners either (i) the annual budget of the unit owners' association or (ii) a summary of such annual budget.

B. Except to the extent otherwise provided in the condominium instruments, the executive board shall:

1. Conduct a study at least once every five years to determine the necessity and amount of reserves required to repair, replace, and restore the capital components as defined in § [55.1-1900](#);
2. Review the results of that study at least annually to determine if reserves are sufficient; and
3. Make any adjustments *to the annual budget and annual assessment* the executive board deems necessary to maintain reserves, as appropriate.

* * *

D. The executive board shall have the discretion to meet repair and replacement requirements through replacement reserves, additional assessments, or borrowed funds.

Legislative Updates – Authority to Spend

SB 672 – 2024 Session

§ [55.1-1805](#). Association charges. (POAA Version)

Except as expressly authorized in this chapter, in the declaration, or otherwise provided by law, no association shall ~~(i) make an assessment or impose a charge against a lot or a lot owner~~ **one or more but less than all lot owners** unless the charge is ~~(i) a fee for services provided or, (ii) related to use of the common area, or (iii) a fee related to the issuance of a resale certificate pursuant to § [55.1-2309](#) or [55.1-2311](#) except as expressly authorized in § [55.1-2316](#)~~. **Nothing in this chapter shall be construed to authorize an association or common interest community manager to charge an inspection fee for an unimproved or improved lot except as provided in § [55.1-2316](#).** ***Nothing in this chapter shall be construed to prevent an association from levying or using assessments, charges, or fees to pay the association's contractual or other legal obligations in the exercise of the association's duties and responsibilities.*** The Common Interest Community Board may assess a monetary penalty for a violation of this section against any (a) association pursuant to § [54.1-2351](#) or (b) common interest community manager pursuant to § [54.1-2349](#), and may issue a cease and desist order pursuant to § [54.1-2352](#).

Legislative Updates – Authority to Spend

SB 672 – 2024 Session

§ [55.1-1904](#). Association charges. (Condo Version)

Except as expressly authorized in this chapter, in the condominium instruments, or as otherwise provided by law, no unit owners' association may ~~make an assessment or~~ impose a charge against a unit owner *one or more but less than all unit owners* unless the charge is (i) authorized under § [55.1-1964](#), (ii) a fee for services provided, or (iii) ~~related to the provisions set out in~~ *a fee expressly authorized by § [55.1-2316](#). Nothing in this chapter shall be construed to prevent a unit owners' association from using assessments, charges, or fees to pay the unit owners' association's contractual or other legal obligations in the exercise of the unit owners' association's duties and responsibilities.* The Common Interest Community Board may assess a monetary penalty for a violation of this section against any (a) unit owners' association pursuant to § [54.1-2351](#) or (b) common interest community manager pursuant to § [54.1-2349](#) and may issue a cease and desist order pursuant to § [54.1-2352](#).

Upcoming Legislation for 2025

HB528 Property Owners' Assoc. Act; managed conservation landscaping, unreasonable restrictions prohibited.

Summary As Introduced

Property Owners' Association Act; managed conservation landscaping; unreasonable restrictions prohibited. Provides that no association shall prohibit an owner from installing managed conservation landscaping, defined in the bill, upon such owner's property unless such prohibition was recorded in the declaration for the association. The bill allows associations to establish reasonable restrictions concerning the management, design, and aesthetic guidelines for managed conservation landscaping features.

FAILED

Upcoming Legislation

HB922 Common interest communities; associations may ban use of pesticides in or upon any common area.

Summary As Introduced

Common interest communities; pesticides; prohibition on use. Clarifies that common interest community associations may ban the use of pesticides in or upon any common area or common element, as defined in relevant law. The bill also allows such associations to establish reasonable restrictions on the use of pesticides within the common interest community if such use might reasonably affect any lot, common area, unit, or common element.

FAILED

Upcoming Legislation

HB2110 Resale Disclosure Act; resale certificate, prohibition on requiring purchaser's name.

Status: Acts of Assembly Chapter

Summary As Introduced

Resale Disclosure Act; resale certificate; prohibition on requiring purchaser's name. Prohibits any association from requiring a purchaser's name prior to preparing the resale certificate or requiring such information to be set out on a completed resale certificate prepared pursuant to the provisions of the Resale Disclosure Act.

PASSED
Effective as law on July 1, 2025

Upcoming Legislation

§ [55.1-2309](#). Resale certificate; delivery.

A. The seller or the seller's agent shall obtain the resale certificate from the association and provide such resale certificate to the purchaser or the purchaser's agent. This requirement shall not be waived or changed by agreement.

B. Unless exempt pursuant to § [55.1-2317](#), the association, the association's managing agent, or any third party preparing the resale certificate on behalf of the association shall deliver such resale certificate within 14 days after a written request by a seller or seller's agent. If no resale certificate is delivered within 14 days after such request, the resale certificate shall be deemed unavailable. *No association shall require the seller or the seller's agent to provide the purchaser's name prior to preparing the resale certificate.*

§ [55.1-2310](#). Resale certificate; form and contents.

B. No association shall require the purchaser's name to be set out on the completed resale certificate prepared pursuant to the provisions of this chapter.

Upcoming Legislation

HB2542 Common interest communities; amateur radio antennas permitted.

Summary As Introduced

Common interest communities; amateur radio antennas permitted. Prohibits certain common interest community associations from prohibiting the installation of an amateur radio antenna on the roof of the unit owned by the unit owner or on a roof appurtenant to the unit owned by the unit owner or, in the case of a property owners' association, a lot owner's property, and sets forth provisions governing the installation and removal of such amateur radio antennas.

FAILED

Upcoming Legislation

HB2750 Common interest communities; termination of certain management contracts.

Summary As Passed House

Common interest communities; termination of certain management contracts; transfer of association books and records. Provides that within a reasonable time after termination of a management contract and without additional cost to the association a common interest community manager shall transfer and release all funds and close bank accounts maintained on behalf of an association. This bill incorporates [HB 2292](#).

PASSED
Effective July 1, 2025

Upcoming Legislation

§ 54.1-2353. Protection of the interests of associations; appointment of receiver for common interest community manager.

- A. A common interest community manager owes a fiduciary duty to the associations to which it provides management services with respect to the manager's handling the funds or the records of each association. All funds deposited with the common interest community manager shall be handled in a fiduciary capacity and shall be kept in a separate fiduciary trust account or accounts in an FDIC-insured financial institution separate from the assets of the common interest community manager. The funds shall be the property of the association and shall be segregated for each depository in the records of the common interest community manager in a manner that permits the funds to be identified on an association basis. *The common interest community manager shall transfer and release all funds and close bank accounts maintained on behalf of an association within a reasonable time after termination of the contract for management services without additional cost to the association.*

§ 55.1-1837. Termination and duration of certain management contracts. (POAA Version)

A management contract that contains an automatic renewal provision may be terminated by the association or the common interest community manager at any time without cause *and without penalty* upon not less than 60 days' written notice.

§ 55.1-1940.1. Termination and duration of certain management contracts. (Condo Version)

A management contract that contains an automatic renewal provision may be terminated by the unit owners' association or the common interest community manager at any time without cause *and without penalty* upon not less than 60 days' written notice.

Upcoming Legislation

SB1291 General district courts; increases jurisdictional limits.

Summary As Introduced

General district courts; jurisdictional limits. Increases from \$25,000 to \$50,000 the maximum civil jurisdictional limit of general district courts for all civil actions. Under current law, only civil actions for personal injury or wrongful death have a maximum jurisdictional limit of \$50,000. This bill is a recommendation of the Boyd-Graves Conference.

PASSED
Effective July 1, 2025

Upcoming Legislation

§ 16.1-77. Civil jurisdiction of general district courts; amending amount of claim.

Except as provided in Article 5 (§ [16.1-122.1](#) et seq.), each general district court shall have, within the limits of the territory it serves, civil jurisdiction as follows:

(1) Exclusive original jurisdiction of ~~(i)~~ any claim to specific personal property or to any debt, fine, or other money, or to damages for breach of contract or for injury done to property, real or personal, *or for any action for injury to person, regardless of theory, and any action for wrongful death as provided for in Article 5 (§ [8.01-50](#) et seq.) of Chapter 3 of Title 8.01* when the amount of such claim does not exceed \$4,500, exclusive of interest and any attorney fees, and concurrent jurisdiction with the circuit courts having jurisdiction in such territory of any such claim when the amount thereof exceeds \$4,500 but does not exceed ~~\$25,000~~ *\$50,000*, exclusive of interest and any attorney fees; ~~and (ii) any action for injury to person, regardless of theory, and any action for wrongful death as provided for in Article 5 (§ [8.01-50](#) et seq.) of Chapter 3 of Title 8.01 when the amount of such claim does not exceed \$4,500, exclusive of interest and any attorney fees, and concurrent jurisdiction with the circuit courts having jurisdiction in such territory of any such claim when the amount thereof exceeds \$4,500 but does not exceed \$50,000, exclusive of interest and any attorney fees.~~



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