

## **Condominium Law**

46:8B-8 Creation, establishment of condominium.

8. A condominium may be created and established by recording in the office of the county recording officer of the county wherein the land is located a master deed executed and acknowledged by all owners or the lessees setting forth the matters required by section 9 of P.L.1969, c.257 (C.46:8B-9) and section 3 of P.L.1960, c.141 (C.46:23-9.11). The provisions of the "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.) shall apply solely to real property of interests therein which have been subjected to the terms of P.L.1969, c.257 as provided in this section.

L.1969,c.257,s.8; amended 1973, c.216, s.2; 1997, c.211, s.3.

46:8B-8.1. Establishment of condominium upon land held under lease

Nothing in the act to which this act is a supplement shall be construed to prevent the creation and establishment of a condominium as defined in this act, upon land held under a lease by the lessee or creator of the condominium, provided that the master deed required under this act shall be signed, not only by the lessee, but also by the lessor of the land who holds the legal title to the land in fee simple.

L.1973, c. 216, s. 3, eff. Aug. 23, 1973.

46:8B-9 Master deed, contents.

9. The master deed shall set forth, or contain exhibits setting forth the following matters:

(a) A statement submitting the land described in the master deed to the provisions of the "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.).

(b) A name, including the word "condominium" or followed by the words "a condominium," by which the property shall thereafter be identified.

(c) A legal description of the land.

(d) A survey of the condominium property in sufficient detail to show and identify common elements, each unit and their respective locations and approximate dimensions. The plans shall bear a certification by a land surveyor, professional engineer or architect authorized and qualified to practice in this State setting forth that the plans constitute a correct representation of the improvements described. The survey and plans shall constitute a condominium plan as defined in section 2 of P.L.1960, c.141 (C.46:23-9.10).

(e) An identification of each unit by distinctive letter, name or number so that each unit may be separately described thereafter by such identification.

(f) A description of the common elements and limited common elements, if any.

(g) The proportionate undivided interests in the common elements and limited common elements, if any, appurtenant to each unit. These interests shall in each case be stated as percentages aggregating 100%.

(h) The voting rights of unit owners.

(i) By-laws.

(j) A method of amending and supplementing the master deed, which shall require the recording of any amendment or supplement in the same office as the master deed before it shall become effective.

(k) The name and nature of the association and if the association is not incorporated, the name and residence address, within this State of the person designated as agent to receive service of process upon the association.

(l) The proportions or percentages and manner of sharing common expenses and owning common surplus.

(m) Any other provisions, not inconsistent with the "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.), as may be desired, including but not limited to restrictions or limitations upon the use, occupancy, transfer, leasing or other disposition of any unit (provided that any restriction or limitation shall be otherwise permitted by law) and limitations upon the use of common elements.

L.1969,c.257,s.9; amended 1997, c.211, s.4.

#### 46:8B-10. Unit deeds and other instruments

A deed, mortgage, lease or other instrument pertaining to a unit shall have the same force and effect in regard to such unit as would be given to a like instrument pertaining to other real property which has been similarly made, executed, acknowledged and recorded. A unit deed shall contain the following:

(a) The name of the condominium as set forth in the master deed, the name of the political subdivision and county in which the condominium property is located and a reference to the recording office, the book and page where the master deed and any amendment thereto are recorded.

(b) The unit designation as set forth in the master deed.

(c) A reference to the last prior unit deed conveying such unit, if previously conveyed.

(d) A statement of the proportionate undivided interest in the common elements appurtenant to such unit as set forth in the master deed or any amendments thereof.

(e) Any other matters, consistent with this act, which the parties may deem appropriate.

L.1969, c. 257, s. 10, eff. Jan. 7, 1970.

#### 46:8B-11. Amendments to master deed

The master deed may be amended or supplemented in the manner set forth therein. Unless otherwise provided therein, no amendment shall change a unit unless the owner of record thereof and the holders of record of any liens thereon shall join in the execution of the amendment or execute a consent thereto with the formalities of a deed. Notwithstanding any other provision of this act or the master deed, the designation of the agent for service of process named in the master deed may be changed by an instrument executed by the association and recorded in the same office as the master deed.

L.1969, c. 257, s. 11, eff. Jan. 7, 1970.

#### 46:8B-12. The association

The association provided for by the master deed shall be responsible for the administration and management of the condominium and condominium property, including but not limited to the conduct of all activities of common interest to the unit owners. The association may be any entity recognized by the laws of New Jersey, including but not limited to a business corporation or a nonprofit corporation.

L.1969, c. 257, s. 12, eff. Jan. 7, 1970.

#### 46:8B-12.1. Members of governing board; elections; written approval of actions by developer; control by board; delivery of items

a. When unit owners other than the developer own 25% or more of the units in a condominium that will be operated ultimately by an association, the unit owners other than the developer shall be entitled to elect not less than 25% of the members of the governing board or other form of administration of the association. Unit owners other than the developer shall be entitled to elect not less than 40% of the members of the governing board or other form of administration upon the conveyance of 50% of the units in a condominium. Unit owners other than the developer shall be entitled to elect all of the members of the governing board or other form of administration upon the conveyance of 75% of the units in a condominium. However, when some of the units of a condominium have been conveyed to purchasers and none of the others are being constructed or offered for sale by the developer in the ordinary course of business, the unit owners other than the developer shall be entitled to elect all of the members of the governing board or other form of administration.

Notwithstanding any of the provisions of subsection a of this section, the developer shall be entitled to elect at least one member of the governing board or other form of

administration of an association as long as the developer holds for sale in the ordinary course of business one or more units in a condominium operated by the association.

b. Within 30 days after the unit owners other than the developer are entitled to elect a member or members of the governing board or other form of administration of an association, the association shall call, and give not less than 20 days' nor more than 30 days' notice of, a meeting of the unit owners to elect the members of the governing board or other form of administration. The meeting may be called and the notice given by any unit owner if the association fails to do so.

c. If a developer holds one or more units for sale in the ordinary course of business, none of the following actions may be taken without approval in writing by the developer:

(1) Assessment of the developer as a unit owner for capital improvements.

(2) Any action by the association that would be detrimental to the sales of units by the developer. However, an increase in assessments for common expenses without discrimination against the developer shall not be deemed to be detrimental to the sales of units.

d. Prior to, or not more than 60 days after, the time that unit owners other than the developer elect a majority of the members of the governing board or other form of administration of an association, the developer shall relinquish control of the association, and the unit owners shall accept control. Simultaneously, the developer shall deliver to the association all property of the unit owners and of the association held or controlled by the developer, including, but not limited to, the following items, if applicable, as to each condominium operated by the association:

(1) A photocopy of the master deed and all amendments thereto, certified by affidavit of the developer, or an officer or agent of the developer, as being a complete copy of the actual master deed.

(2) A certified copy of the association's articles of incorporation, or if not incorporated, then copies of the documents creating the association.

(3) A copy of the bylaws.

(4) The minute books, including all minutes, and other books and records of the association, if any.

(5) Any house rules and regulations which have been promulgated.

(6) Resignations of officers and members of the governing board or other form of administration who are required to resign because the developer is required to relinquish control of the association.

(7) An accounting for all association funds, including capital accounts and contributions.

(8) Association funds or control thereof.

(9) All tangible personal property that is property of the association, represented by the developer to be part of the common elements or ostensibly part of the common elements, and an inventory of that property.

(10) A copy of the plans and specifications utilized in the construction or remodeling of improvements and the supplying of equipment to the condominium and in the construction and installation of all mechanical components serving the improvements and the site, with a certificate in affidavit form of the developer, his agent, or an architect or engineer authorized to practice in this State that such plans and specifications represent, to the best of their knowledge and belief, the actual plans and specifications utilized in the construction and improvement of the condominium property and for the construction and installation of the mechanical components serving the improvements. If the condominium property has been declared a condominium more than 3 years after the completion of construction or remodeling of the improvements, the requirements of this paragraph shall not apply.

(11) Insurance policies.

(12) Copies of any certificates of occupancy which may have been issued for the condominium property.

(13) Any other permits issued by governmental bodies applicable to the condominium property in force or issued within 1 year prior to the date the unit owners other than the developer take control of the association.

(14) All written warranties of the contractor, subcontractors, suppliers, and manufacturers, if any, that are still effective.

(15) A roster of unit owners and their addresses and telephone numbers, if known, as shown on the developer's records.

(16) Leases of the common elements and other leases to which the association is a party.

(17) Employment contracts, management contracts, maintenance contracts, contracts for the supply of equipment or materials, and service contracts in which the association is one of the contracting parties and maintenance contracts and service contracts in which the association or the unit owners have an obligation or responsibility, directly or indirectly to pay some or all of the fee or charge of the person or persons performing the service.

(18) All other contracts to which the association is a party.

L.1979, c. 157, s. 2, eff. July 19, 1979.