As Introduced

124th General Assembly Regular Session 2001-2002

H. B. No. 505

REPRESENTATIVES Salerno, Hollister, Britton

ABILL

Го	amend sections 317.08, 317.09, 5301.01, 5301.25,	1
	5301.255, 5311.02, 5311.03, 5311.04, 5311.05,	2
	5311.051, 5311.052, 5311.06, 5311.07, 5311.08,	3
	5311.09, 5311.10, 5311.11, 5311.12, 5311.13,	4
	5311.14, 5311.16, 5311.17, 5311.18, 5311.19,	5
	5311.20, 5311.21, 5311.22, 5311.23, 5311.24,	6
	5311.25, 5311.26, 5311.27, and 5721.35, to enact	7
	new section 5311.01 and sections 5311.031,	8
	5311.032, 5311.033, 5311.041, 5311.081, and	9
	5311.091, and to repeal sections 5311.01, 5311.15,	10
	and 5311.241 of the Revised Code to revise the Ohio	11
	Condominium Law.	12

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF OHIO:

Section 1. That sections 317.08, 317.09, 5301.01, 5301.25,	13
5301.255, 5311.02, 5311.03, 5311.04, 5311.05, 5311.051, 5311.052,	14
5311.06, 5311.07, 5311.08, 5311.09, 5311.10, 5311.11, 5311.12,	15
5311.13, 5311.14, 5311.16, 5311.17, 5311.18, 5311.19, 5311.20,	16
5311.21, 5311.22, 5311.23, 5311.24, 5311.25, 5311.26, 5311.27, and	17
5721.35 be amended and that new section 5311.01 and sections	18
5311.031, 5311.032, 5311.033, 5311.041, 5311.081, and 5311.091 of	19
the Revised Code be enacted to read as follows:	20

Sec. 317.08. (A) Except as provided in division (F) divisions 21
(C) and (D) of this section, the county recorder shall keep six 22
separate sets of records as follows: 23

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 $\frac{(A)}{(1)}$ A record of deeds, in which shall be recorded all deeds and other instruments of writing for the absolute and unconditional sale or conveyance of lands, tenements, and hereditaments; all notices as provided for in sections 5301.47 to 5301.56 of the Revised Code; all judgments or decrees in actions brought under section 5303.01 of the Revised Code; all declarations and bylaws, and all amendments to declarations and bylaws, as provided for in Chapter 5311. of the Revised Code; affidavits as provided for in section 5301.252 of the Revised Code; all certificates as provided for in section 5311.17 of the Revised Code; all articles dedicating archaeological preserves accepted by the director of the Ohio historical society under section 149.52 of the Revised Code; all articles dedicating nature preserves accepted by the director of natural resources under section 1517.05 of the Revised Code; all agreements for the registration of lands as archaeological or historic landmarks under section 149.51 or 149.55 of the Revised Code; all conveyances of conservation easements and agricultural easements under section 5301.68 of the Revised Code; all instruments extinguishing agricultural easements under section 901.21 or 5301.691 of the Revised Code or pursuant to terms of such an easement granted to a charitable organization under section 5301.68 of the Revised Code; all instruments or orders described in division (B)(1)(c)(ii) of section 5301.56 of the Revised Code; all no further action letters issued under section 122.654 or 3746.11 of the Revised Code; all covenants not to sue issued under section 3746.12 of the Revised Code, including all covenants not to sue issued pursuant to section 122.654 of the Revised Code; any restrictions on the use of property contained in a no further

recorder may record all the instruments required to be recorded by
this section in two separate sets of record books. One set shall

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be called the "official records" and shall contain the instruments
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listed in divisions (A)(1), (B)(2), (C)(3), (E)(5), (F), and (6)

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and (H)(D) of this section. The second set of records shall
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contain the instruments listed in division (D)(A)(A) of this
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section.

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(H)(D) Except as provided in division (G)(C) of this section, the county recorder shall keep a separate set of records containing all corrupt activity lien notices filed with the recorder pursuant to section 2923.36 of the Revised Code and a separate set of records containing all medicaid fraud lien notices filed with the recorder pursuant to section 2933.75 of the Revised Code.

Sec. 317.09. (A) Notices of liens for internal revenue taxes, of liens arising under section 107 of the "Comprehensive Environmental Response, Compensation, and Liability Act of 1980," 94 Stat. 2781, 42 U.S.C.A. 9607, as amended, and of any other lien in favor of the United States, as provided in the statutes of the United States or in any regulation adopted under those statutes, certificates discharging the liens, and certificates of release of the liens shall be filed for record, by mail or otherwise, in the office of the county recorder of the county in which the property subject to the lien is situated. If a duplicate copy of a notice of a lien or a certificate of discharge or release of a lien is provided, the recorder shall endorse on the copy the date and hour that the notice or certificate was received for filing and recording, and shall return the copy, by mail or otherwise, to the district director of the internal revenue service of the Ohio district from which the notice or certificate originated, the regional administrator of the region of the United States environmental protection agency from which the notice or

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cert	ificate	ori	gina	ited,	or	the	other	offic	cial	of	the	Uni	ted	States
who	originat	ed :	the	notio	e d	or c	ertific	cate,	whic	hev	er i	is aj	opli	cable.

Except as provided in division (B) of this section, when a notice of a lien in favor of the United States is filed, the recorder shall enter it in a book known as the "federal tax and other federal lien index," in alphabetical order, showing on one line the name and residence of the person named in the notice, the serial number or other identifying number of the notice, and the total amount of the lien. The recorder shall file and keep all original notices of liens in numerical order. When a certificate of discharge or release of any lien in favor of the United States is issued by the proper official of the United States, or his the official's delegate, and is filed for record in the office of the recorder in which the original notice of the lien is filed, the recorder shall enter the certificate with the date of filing in the federal tax and other federal lien index on the line on which the notice of the lien so discharged or released is entered and permanently attach the original certificate of discharge or release to the original notice of the lien.

- (B) If a county recorder records all instruments in two sets of record books pursuant to division (F)(C) of section 317.08 of the Revised Code, notices of liens in favor of the United States and certificates discharging or releasing those liens that are filed with the recorder shall be recorded in the "official records" set of books.
- (C) The county recorder shall receive a fee of five dollars for filing and indexing each notice of a lien filed pursuant to this section and shall receive a fee of three dollars for filing and indexing a certificate of discharge or release of the lien. The fees provided for in this division shall be collected at the time that the notice or certificate is presented in the office of the recorder.

Sec. 5301.01. (A) A deed, mortgage, land contract as referred	180
to in division $\frac{(B)(A)(2)(b)}{(b)}$ of section 317.08 of the Revised Code,	181
or lease of any interest in real property and a memorandum of	182
trust as described in division (A) of section 5301.255 of the	183
Revised Code shall be signed by the grantor, mortgagor, vendor, or	184
lessor in the case of a deed, mortgage, land contract, or lease or	185
shall be signed by the settlor and trustee in the case of a	186
memorandum of trust. The signing shall be acknowledged by the	187
grantor, mortgagor, vendor, or lessor, or by the settlor and	188
trustee, before a judge or clerk of a court of record in this	189
state, or a county auditor, county engineer, notary public, or	190
mayor, who shall certify the acknowledgement and subscribe the	191
official's name to the certificate of the acknowledgement.	192

- (B)(1) If a deed, mortgage, land contract as referred to in division (B)(A)(2)(b) of section 317.08 of the Revised Code, lease of any interest in real property, or a memorandum of trust as described in division (A) of section 5301.255 of the Revised Code was executed prior to the effective date of this amendment February 1, 2002 and was not acknowledged in the presence of, or was not attested by, two witnesses as required by this section prior to that effective date, both of the following apply:
- (a) The instrument is deemed properly executed and is presumed to be valid unless the signature of the grantor, mortgagor, vendor, or lessor in the case of a deed, mortgage, land contract, or lease or of the settlor and trustee in the case of a memorandum of trust was obtained by fraud.
- (b) The recording of the instrument in the office of the county recorder of the county in which the subject property is situated is constructive notice of the instrument to all persons, including without limitation, a subsequent purchaser in good faith or any other subsequent holder of an interest in the property,

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regardless of whether the instrument was recorded prior to, on, or	211
after the effective date of this amendment February 1, 2002.	212
(2) Division (B)(1) of this section does not affect any	213
accrued substantive rights or vested rights that came into	214
existence prior to the effective date of this amendment February	215
<u>1, 2002</u> .	216
Sec. 5301.25. (A) All deeds, land contracts referred to in	217
division $\frac{(B)(A)(2)(b)}{(b)}$ of section 317.08 of the Revised Code, and	218
instruments of writing properly executed for the conveyance or	219
encumbrance of lands, tenements, or hereditaments, other than as	220
provided in division (C) of this section and section 5301.23 of	221
the Revised Code, shall be recorded in the office of the county	222
recorder of the county in which the premises are situated, and	223
until. Until so recorded or filed for record, they are fraudulent,	224
so far insofar as relates they relate to a subsequent bona fide	225
purchaser having, at the time of purchase, no knowledge of the	226
existence of such that former deed or, land contract, or	227
instrument.	228
(B) Whenever a survey is made of lands which that are being	229
conveyed, the county auditor shall require that the name of the	230
person who made the survey appear in the deed. Such The name shall	231
either be printed, typewritten, stamped, or signed in a legible	232
manner. An instrument is in compliance with this section division	233
if it contains a statement in the following form:	234
"A survey of this property was made by"	235
(Name)	
This division does not apply to any court decree, order,	236
judgment, or writ, nor to any instrument executed or acknowledged	237
outside of this state, or to any instrument executed within this	238
state prior to September 20, 1965.	239

(C) All tax certificates sold pursuant to section 5721.32 or	240
5721.33 of the Revised Code, or memoranda thereof, may be recorded	241
in the office of the county recorder of the county in which the	242
premises are situated, as provided in division (B) of section	243
5721.35 of the Revised Code; provided, however, that the first and	244
superior lien of the state and its taxing districts conveyed to	245
the holder of the tax certificate, as provided in division (A) of	246
section 5721.35 of the Revised Code, shall in no way be diminished	247
or adversely affected if the tax certificate evidencing the	248
conveyance of such first and superior lien, or memorandum thereof,	249
is not recorded as provided in this section.	250
Sec. 5301.255. (A) A memorandum of trust that satisfies both	251
of the following may be presented for recordation in the office of	252
the county recorder of any county in which real property that is	253
subject to the trust is located:	254
(1) The memorandum shall be executed by the settlor and	255
trustee of the trust and acknowledged by the settlor and trustee	256
of the trust in accordance with section 5301.01 of the Revised	257
Code.	258
(2) The memorandum shall state all of the following:	259
(a) The names and addresses of the settlor and trustee of the	260
trust;	261
(b) mbo data of coordinate of the toward.	262
(b) The date of execution of the trust;	262
(c) The powers specified in the trust relative to the	263
acquisition, sale, or encumbering of real property by the trustee	264
or the conveyance of real property by the trustee, and any	265
restrictions upon those powers.	266
(B) A memorandum of trust that satisfies divisions (A)(1) and	267
(2) of this section also may set forth the substance or actual	268
text of provisions of the trust that are not described in those	269

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divisions.	270
(C) A memorandum of trust that satisfies divisions (A)(1) and (2) of this section shall constitute notice only of the information contained in it.	271 272 273
(D) Upon the presentation for recordation of a memorandum of trust that satisfies divisions (A)(1) and (2) of this section and the payment of the requisite fee prescribed in section 317.32 of the Revised Code, a county recorder shall record the memorandum of trust as follows:	274 275 276 277 278
(1) Unless division (D)(2) of this section applies, in the record of deeds described in division (A)(1) of section 317.08 of the Revised Code, if the memorandum of trust describes specific real property, or in the record of powers of attorney described in division $(C)(A)(3)$ of that section, if the memorandum of trust does not describe specific real property; (2) If the county recorder records instruments in accordance with division $(F)(C)$ of section 317.08 of the Revised Code, in the official records described in that division.	279 280 281 282 283 284 285 286 287
<pre>Sec. 5311.01. As used in this chapter, except as otherwise provided:</pre>	288 289
(A) "Agent" means any person who represents a developer, or who acts for or on behalf of a developer, in selling or offering to sell any condominium ownership interest in a condominium development. "Agent" does not include an attorney whose representation of a developer consists solely of rendering legal services.	290 291 292 293 294 295
(B) "Additional property" means land, including surface and air rights, or improvements to land, that are described in an original declaration and that may be added in the future to an expandable condominium property.	296 297 298 299

(C) "Affiliate of a developer" means any person who controls	300
a developer, is controlled by a developer, or is under common	301
control of a developer. For the purposes of this division:	302
(1) A person "controls" a developer if any of the following	303
applies:	304
(a) The person is a general partner, officer, member,	305
manager, director, or employer of the developer.	306
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(b) The person owns, controls, holds with power to vote, or	307
holds proxies representing more than twenty per cent of the voting	308
interest in the developer, doing so either directly or indirectly,	309
acting in concert with one or more other persons, or through one	310
or more subsidiaries.	311
(c) The person controls, in any manner, the election of a	312
majority of the developer's directors.	313
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(d) The person has contributed more than twenty per cent of	314
the developer's capital.	315
(2) A person "is controlled by" a developer if any of the	316
following applies:	317
(a) The developer is a general partner, member, manager,	318
officer, director, or employer of the person.	319
(b) The developer owns, controls, holds with power to vote,	320
or holds proxies representing more than twenty per cent of the	321
voting interest in the person, doing so either directly or	322
indirectly, acting in concert with one or more other persons, or	323
through one or more subsidiaries.	324
(c) The developer controls, in any manner, the election of a	325
majority of the person's directors.	326
(d) The developer has contributed more than twenty per cent	327
of the person's capital.	328

in this division and that are provided for in the declaration;

(q) All parts of the condominium property that are not listed

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in this division and that are necessary or convenient to its	358
existence, maintenance, and safety, that are normally in common	359
use, or that have been designated as common elements in the	360
declaration or drawings.	361
(G) "Common expenses" means expenses designated as common	362
expenses in this chapter or in the declaration.	363
(H) "Common losses" means the amount by which the common	364
expenses during any period of time exceeds the common assessments	365
and common profits during that period.	366
(I) "Common profits" means the amount by which the total	367
income received from any of the following exceeds expenses	368
allocable to the particular income, rental, fee, or charge:	369
(1) Assessments charged for special benefits to specific	370
units;	371
(2) Rents received from the rental of equipment or space in	372
<pre>common elements;</pre>	373
(3) Any other fee, charge, or income other than common	374
assessments.	375
(J) "Common surplus" means the amount by which common	376
assessments collected during any period exceed common expenses.	377
(K) "Condominium development" means a condominium property in	378
which two or more individual residential or water slip units,	379
together with their undivided interests in the common elements of	380
the property, are offered for sale pursuant to a common	381
promotional plan.	382
(L) "Condominium instruments" means the declaration and	383
accompanying drawings and plans, the bylaws of the unit owner's	384
association, the condominium development disclosure statement	385
described in section 5311.26 of the Revised Code, any contracts	386
pertaining to the management of the condominium property, and any	387

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other documents, contracts, or instruments establishing ownership	388
of or exerting control over a condominium property or unit.	389
(M) "Condominium ownership interest" means a fee simple	390
estate or a ninety-nine-year leasehold estate, renewable forever,	391
in a unit, together with an appurtenant undivided interest in the	392
common elements.	393
(N) "Condominium property" means all real and personal	394
property submitted to the provisions of this chapter, including	395
land, and the buildings, improvements, and structures on that	396
land, the land under a water slip and the buildings, improvements,	397
and structures that form or that are utilized in connection with	398
that water slip, and all easements, rights, and appurtenances	399
belonging to the land or to the land under a water slip.	400
(0) "Conversion condominium development" means a condominium	401
development that was operated as a rental property and occupied by	402
tenants immediately prior to the submission of the property to the	403
provisions of this chapter.	404
(P) "Convertible unit" means a unit that may be converted	405
into one or more units and common elements, including limited	406
common elements.	407
(Q) "Declaration" means the instrument by which property is	408
submitted to the provisions of this chapter and all amendments to	409
that declaration.	410
(R) "Developer" means any person who directly or indirectly	411
sells or offers for sale condominium ownership interests in a	412
condominium development. "Developer" includes the declarant of a	413
condominium development and any successor to that declarant who	414
stands in the same relation to the condominium development as the	415
declarant.	416
(S) "Exclusive use area" means common elements that the	417
declaration reserves for delegation by the board of trustees to	418

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the use of a certain unit or units and to the exclusion of other	419
units.	420
(T) "Expandable condominium property" means a condominium	421
property in which the original declaration reserves the right to	422
add additional property.	423
(U) "Leasehold condominium development" means a condominium	424
development in which each unit owner owns a ninety-nine-year	425
leasehold estate, renewable forever, in the owner's unit, in the	426
land upon which that unit is situated, or in both, together with	427
an undivided leasehold interest in the common elements, with all	428
leasehold interests due to expire at the same time.	429
(V) "Limited common elements" means the common elements that	430
the declaration designates as being reserved for use of a certain	431
unit or units to the exclusion of the other units.	432
(W) "Offer" includes any inducement or solicitation to	433
encourage a person to acquire a condominium ownership interest in	434
a condominium development.	435
(X) "Par value" means a number, expressed in dollars, points,	436
or as a percentage or fraction, attached to a unit by the	437
declaration.	438
(Y) "Purchaser" means a person who purchases a condominium	439
ownership interest for consideration pursuant to an agreement for	440
the conveyance or transfer of that interest for consideration.	441
(Z) "Sale of a condominium ownership interest" means the	442
execution by both parties of an agreement for the conveyance or	443
transfer for consideration of a condominium ownership interest.	444
"Sale of a condominium ownership interest" does not include a	445
transfer of one or more units from the developer to another	446
developer, a subsidiary of the developer, or a financial	447
institution for the purpose of facilitating the sale or	448
development of the remaining or unsold portion of the condominium	449

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property or additional property.	450
(AA) "Unit" means the part of the condominium property that	451
is designated as a unit in the declaration, is delineated as a	452
unit on the drawings prepared pursuant to section 5311.07 of the	453
Revised Code, and is one of the following:	454
(1) A residential unit, in which the designated part of the	455
condominium property is devoted in whole or in part to use as a	456
residential dwelling consisting of one or more rooms on one or	457
more floors of a building.	458
(2) A water slip unit, which consists of the land that is	459
under the water in a water slip, and the land that is under the	460
piers or wharves that form the water slip and which is used for	461
the mooring of watercraft.	462
(3) A commercial unit in which the property is designated for	463
separate ownership or occupancy solely for commercial purposes,	464
industrial purposes, or other nonresidential or nonwater slip use.	465
	466
(BB) "Unit owner" means a person who owns a condominium	467
ownership interest in a unit.	468
(CC) "Unit owners association" means the organization that	469
administers the condominium property and that consists of all the	470
owners of units in a condominium property.	471
(DD) "Watercraft" has the same meaning as in division (A) of	472
section 1547.01 of the Revised Code.	473
(EE) "Water slip" means a channel of water between piers or	474
wharves.	475
Sec. 5311.02. Chapter 5311. of the Revised Code (A) This	476
<u>chapter</u> applies only to property that is specifically submitted to	477
its provisions by the execution and filing for record of a	478

declaration by the owner, as provided in this chapter. In every	479
instance, any property so submitted shall be either a fee simple	480
estate or a ninety-nine year leasehold, renewable forever. Neither	481
the submission of property to the provisions of this chapter, nor	482
the conveyance or transfer of a condominium ownership interest	483
constitutes a subdivision within the meaning of, or is subject to,	484
Chapter 711. of the Revised Code.	485
(B)(1) No local building, housing, air pollution, sanitation,	486
health, fire, zoning, safety, or other real property use code,	487
ordinance, or regulation may prohibit the condominium form of	488
property ownership or impose any requirement on a condominium	489
property that is not imposed on a physically identical property	490
under a different form of property ownership.	491
(2) Except as provided in division (B)(1) of this section,	492
this chapter does not invalidate, modify, or otherwise affect any	493
provision of a local building, housing, air pollution, sanitation,	494
health, fire, zoning, safety, or other real property use code,	495
ordinance, or regulation.	496
Sec. 5311.03. (A) Each unit of a condominium property,	497
together with the undivided interest in the common areas and	498
facilities elements appurtenant to it, is real property for all	499
purposes and is real estate within the meaning of all provisions	500
of the Revised Code.	501
(B) $\underline{\text{Each}}$ $\underline{\text{A}}$ unit owner is entitled to the exclusive ownership	502
and possession of $\frac{1}{2}$ the unit and to ownership of an undivided	503
interest in the common areas and facilities in the percentage that	504
is <u>elements</u> as expressed in the declaration.	505
(C)(1) Each unit that is not a water slip residential and	506
commercial unit shall have a direct exit to a public street or	507

highway or, to a common area and facility element leading to a

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public street or highway, except that units in an expandable	509
condominium property may have a direct exit or to a permanent	510
easement leading to a public street or highway across additional	511
property identified in the declaration.	512
(2) Each water slip unit shall have a direct exit to a body	513
of water, or to a common area and facility element leading to a	514
body of water, or to a permanent easement leading to a body of	515
water. Each water slip unit <u>also</u> shall also have a direct exit to	516
a public street or highway or to a common area and facility	517
<u>element</u> leading to a public street or highway.	518
(D) Unless otherwise provided in the declaration or drawings-	519
the:	520
(1) The boundaries of a unit that is not a water slip unit	521
residential and commercial units are the interior surfaces of its	522
the perimeter walls, floors, and ceilings. Windows	523
(2) Windows and doors, sashes, thresholds, frames, jambs, and	524
$\underline{\text{hardware}}$ in the perimeter walls, floors, or ceilings of $\frac{1}{2}$ unit	525
are part of the unit. Supporting	526
(3) Supporting walls, fixtures, and other parts of the	527
building that are within the boundaries of $\frac{1}{2}$ unit but $\frac{1}{2}$	528
that are necessary for the existence, support, maintenance,	529
safety, or comfort of any other part of the condominium property	530
are not part of the unit.	531
(E)(1) Ownership of a unit that is not a water slip	532
<u>residential</u> unit includes the right to exclusive possession, use,	533
and enjoyment of the interior surfaces of all its the perimeter	534
walls, floors, and ceilings and of all the supporting walls,	535
fixtures, and other parts of the building within its boundaries,	536
including the right to paint, tile, wax, paper, or otherwise	537
finish, refinish, or decorate the unit.	538
(2) Ownership of a water slip unit includes the exclusive	539

proportionate share of common surplus and common expenses, and the

voting power of the unit or units resulting from the division or

interest, share, and power of the former unit or units divided or

combination, the total of which, in each case, shall equal the

combined.

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declaration, the boundaries between adjoining units and	571
appurtenant limited common elements may be relocated and the	572
undivided interests in the common elements appurtenant to those	573
units may be reallocated by an amendment to the declaration	574
pursuant to the following procedures:	575
(1)(a) The owners of the adjoining units shall submit to the	576
board of trustees of the unit owners association a written	577
application for the relocation and reallocation. The application	578
shall be accompanied by the written consents of the holders of all	579
liens on those units except liens for real estate taxes and	580
assessments not due and payable.	581
(b) In the application, the owners of the adjoining units may	582
request a specific reallocation of their undivided interest in the	583
common elements allocated to the adjoining units.	584
(2) Unless the board of trustees finds any requested	585
reallocation of the percentage interests in the common elements to	586
be unreasonable, within thirty days after the board receives the	587
application, the association shall prepare, at the expense of the	588
owners of the adjoining units, an amendment to the declaration	589
that is executed by the owners of the units and that includes all	590
of the following:	591
(a) Identification of the affected units;	592
(b) Words of conveyance between the owners of the units;	593
(c) A specification of the undivided interests in the common	594
elements, the proportionate shares of common surplus and common	595
expenses, and the voting powers of each unit resulting from the	596
relocation and reallocation, the total of which shall equal the	597
interests, shares, and powers of the former adjoining units.	598
(3) At the expense of the owners of the former adjoining	599
units, the association shall record the amendment to the	600
declaration together with both of the following:	601

(a) Any drawing, plat, or plans necessary to show the altered	602
boundaries of those units;	603
(b) The dimensions and identifying number of each unit	604
resulting from the relocation and reallocation.	605
(B) Existing liens automatically shall attach to each unit	606
that results from the relocation and reallocation.	607
Sec. 5311.032. (A) Except as otherwise provided in the	608
declaration, rights to the use of limited common elements may be	609
reallocated between or among units by an amendment to the	610
declaration pursuant to the following procedures:	611
(1) The owners of the affected units shall prepare and	612
execute at their expense an amendment to the declaration that	613
identifies the affected unit and specifies the reallocated rights	614
to the use of the affected limited common elements.	615
(2) The owners of the affected units shall submit to the	616
board of trustees of the unit owners association the amendment,	617
accompanied by the written consents of the owners of all affected	618
units and the holders of all liens on those units except for real	619
estate taxes and assessments not due and payable.	620
(3) At the expense of the owners of the affected units, the	621
unit owners association shall record the submitted amendment to	622
the declaration.	623
(B)(1) If the declaration reserves any common element as an	624
exclusive use area, the board of trustees may delegate that common	625
element to the use of a certain unit or units and to the exclusion	626
of other units. The delegation of a common element may be subject	627
to criteria that the unit owners association establishes,	628
including the payment of an additional fee that is part of each	629
benefited unit's common expenses and that is only to be used for	630
the delegated common element.	631

(2) Nothing in division (B)(1) of this section affects a unit	632
owner's right to exclusive use of any common element that the	633
declaration has designated as being a limited common element	634
appurtenant to the owner's unit.	635
Sec. 5311.033. (A)(1) Except as otherwise provided in the	636
declaration, all or any portion of a convertible unit may be	637
converted into one or more units or common elements including	638
limited common elements.	639
(2)(a) To cause the conversion, the owner shall prepare and	640
execute an amendment to the declaration that describes the	641
conversion and record the amendment together with the drawings	642
described in division (E) of section 5311.07 of the Revised Code.	643
(b) The amendment shall specify the undivided interests in	644
the common elements, proportionate shares of common surplus and	645
common expenses, and the voting powers of each unit resulting from	646
the conversion, the total of which shall equal the interest,	647
share, and power of the unit that was converted. The amendment to	648
the declaration shall assign an identifying number to each unit	649
formed, allocate to each unit a portion of the undivided interest	650
in the common elements appurtenant to the convertible unit,	651
describe or delineate the limited common elements formed out of	652
the convertible unit, and show or designate each unit to which	653
those limited common elements are reserved.	654
(3) The conversion of a convertible unit pursuant to this	655
section is deemed to occur at the time that all appropriate	656
instruments are recorded in accordance with division (A)(2) of	657
this section and division (E) of section 5311.07 of the Revised	658
Code.	659
(B) A convertible unit that, in whole or in part, is not	660
converted in accordance with this section shall be treated as a	661
single unit until it is so converted.	662

Sec. 5311.04. (A) The common areas and facilities elements of	663
a condominium property are owned by the unit owners as tenants in	664
common, and the ownership shall remain undivided. No action for	665
partition of any part of the common areas and facilities elements	666
may be commenced, except as provided in section 5311.14 of the	667
Revised Code, nor may any and no unit owner otherwise may waive or	668
release any rights in the common areas and facilities elements.	669
	670
(B) The declaration shall set forth the <u>undivided</u> interest in	671
the common areas and facilities elements appurtenant to each unit.	672
For	673
(1) For units in condominium properties other than expandable	674
condominium properties, the <u>undivided</u> interest <u>in the common</u>	675
elements shall be computed in the proportion that the fair market	676
value of the unit bears to the aggregate fair market value of all	677
units on the date that the declaration is originally filed for	678
record, or shall be based on the size or par value of the unit, or	679
shall be computed on an equal basis. Except	680
(2) Except as provided in division (C) (D) of this section,	681
the interest in the common areas and facilities elements	682
appurtenant to units in expandable condominium properties may be	683
computed in any proportion or on any basis that is the same for	684
units submitted by the declaration as originally filed and those	685
submitted later by the addition of additional property and that	686
uniformly reallocates <u>undivided</u> interests of units previously	687
submitted when additional property is submitted. $\frac{1}{1}$	688
(C) If a par value is assigned to any unit, then a par value	689
shall be assigned to every unit. Substantially identical units	690
shall be assigned the same par value, but units located at	691
substantially different heights above the ground, or having	692

substantially different views, amenities, or other characteristics

are intended. No unit owner may hinder or encroach upon the lawful

rights of the other unit owners in the common elements.

724

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pursuant to this division shall be common expenses.	757
Sec. 5311.041. (A) All costs of the administration,	758
maintenance, repair, and replacement of common elements shall be	759
common expenses.	760
(B)(1) The declaration, either as filed and recorded by the	761
declarant pursuant to section 5311.06 of the Revised Code or as	762
amended by a vote of the unit owners exercising not less than	763
ninety per cent of the voting power of the unit owners	764
association, may provide that regardless of undivided interests,	765
the following common expenses shall be computed on an equal per	766
unit basis:	767
(a) Expenses that arise out of the administration,	768
maintenance, repair, and replacement of security,	769
telecommunications, rubbish removal, roads, entrances, recreation	770
facilities, landscaping, and grounds care;	771
(b) Legal, accounting, and management expenses.	772
(2) Any expense not included in division (B)(1) of this	773
section shall be computed on the basis of the undivided interest	774
in the common elements allocated to each unit.	775
Sec. 5311.05. (A) A declaration submitting property to the	776
provisions of this chapter shall be signed and acknowledged by the	777
owner before a judge or clerk of a court of record, county	778
auditor, county engineer, notary public, or mayor, or county court	779
judge, who <u>may also be one of the witnesses and who</u> shall certify	780
the acknowledgment and subscribe the certificate of	781
acknowledgment.	782
(B) A declaration shall contain all of the following:	783
(1) A legal description of the land or, in the case of for a	784
water slip condominium property, of the land and the land under	785

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with section sections 5311.031 to 5311.033 and 5311.04 of the	818
Revised Code;	819
(7) A statement that each unit owner shall must be a member	820
of a unit owners association that shall be established for the	821
administration of the condominium property;	822
(8) The name of a person to receive service of process for	823
the unit owners association, together with the person's residence	824
or place of business of the person, which residence or place of	825
business shall <u>must</u> be in a county in which all or a part of the	826
condominium property is situated this state;	827
(9) A statement of any membership requirement if the unit	828
owners association or any unit owners are required to be members	829
of a not-for-profit organization that provides facilities or	830
recreation, education, or social services to owners of property	831
other than the condominium property;	832
(10) The method by which the declaration may be amended, that	833
which, except as provided in division $(D)(E)$ of this section,	834
division (E) of section 5311.04, division (B) of section 5311.011,	835
and section sections 5311.031 to 5311.033 and 5311.051 of the	836
Revised Code, shall require the affirmative vote of those unit	837
owners exercising not less than seventy-five per cent of the	838
voting power;	839
$\frac{(10)}{(11)}$ Any further provisions deemed desirable.	840
(C) In the case of <u>The declaration for</u> an expandable	841
condominium property, the declaration also shall contain all of	842
the following in addition to the requirements of division (B) of	843
this section:	844
(1) The explicit reservation of the declarant's option to	845
expand the condominium property;	846
(2) A statement of any limitations on that option to expand,	847
including a statement as to whether the consent of any unit owners	848

AS introduced	
owner is required, and if so, a statement as to the method whereby	849
the by which that consent is to be ascertained; or a statement	850
that there are no such limitations on the option to expand;	851
(3) A time limit, not exceeding seven years from the date the	852
declaration is filed for record, renewable for an additional	853
seven-year period at the option of the developer, exercisable	854
within six months prior to the expiration of the seven-year period	855
and with the consent of the majority of the unit owners other than	856
the developer upon which the option to expand the condominium	857
property will expire, together with a statement of any	858
circumstances that will terminate the option prior to the	859
expiration of the time limit; (a) The time at which the option to	860
expand the condominium development will expire, which shall not	861
exceed seven years from the date the declaration is filed for	862
record;	863
(b) A statement that the developer may, during the six months	864
prior to the time that the option to expand is to expire, extend	865
the option for an additional seven years with the consent of a	866
majority of the unit owners other than the developer;	867
(c) A statement of any circumstances that will terminate the	868
option to expand prior to the time limit set forth pursuant to	869
this division.	870
(4) A legal description by metes and bounds of all additional	871
property that, through exercise of the option, may be submitted to	872
the provisions of this chapter and that, thereby, may be added to	873
the condominium property;	874
(5) A statement as to whether all, or a particular portion,	875
of the additional property must be added to the condominium	876
property, or whether, if any additional property is added, all or	877
a particular portion of the additional property must be added,	878
and, if not, a statement of any limitations as to the portions	879
that may be added or a statement that there are no such	880

that may be added or a statement that there are no such

(9) Except in cases where when the previously submitted	912
original condominium property contains contained no units	913
restricted exclusively to residential use, a statement of the	914
maximum percentage of the aggregate land area and the maximum	915
percentage of aggregate floor area of all that may be devoted to	916
units not restricted exclusively to residential use that may be	917
created on any additional property or portions of additional	918
property that may be added to the condominium property;	919
(10) A statement of the extent to which any structures	920
erected on any portion of the additional property added to the	921
condominium property will be compatible with structures on the	922
submitted property in terms of quality of construction, the	923
principal materials to be used, and architectural style, or a	924
statement that the structures need not be compatible in those	925
terms respects;	926
(11) With respect to all improvements to any portion of	927
additional property added to the condominium property, other than	928
structures, a statement setting forth both of the following:	929
(a) A description of the improvements that must be made or a	930
statement that no other improvements must be made;	931
(b) Any restrictions or limitations upon the improvements	932
that may be made or a statement that there are no restrictions or	933
limitations upon improvements that may be made.	934
(12) With respect to all units created on any portion of	935
additional property added to the condominium property, a statement	936
setting forth both of the following:	937
(a) Whether all such units of that kind must be substantially	938
identical to units on previously submitted land property;	939
	940
(b) Any limitations as to what <u>on the</u> types of units <u>that</u> may	941

be created on the additional property or a statement that there

(2) A statement setting forth the date upon which each lease	974
referred to in division (D)(1) of this section is due to expire;	975
(3)(a) A statement as to whether any land or improvements of	976
the condominium property will be owned by the unit owners in fee	977
simple, and if so, either a description of the any land or	978
improvements that would be so owned, including a legal description	979
by metes and bounds of the land, or a;	980
(b) A statement of any rights the unit owners shall have to	981
remove those any improvements within a reasonable time after the	982
expiration or termination of the any ninety-nine year lease or	983
leases involved, or a statement that they shall have no such	984
rights÷ of that nature.	985
(4) A statement of the rights $\underline{\text{that}}$ the unit owners have to	986
redeem the reversion or any of the reversions, or a statement that	987
they have no such rights of that nature;	988
(5) A statement that, subsequent to the recording of the	989
declaration, no lessor who executed it, and no successor in	990
interest to the that lessor, will have any right or power to	991
terminate any part of the leasehold interest of any unit owner who	992
makes timely payment of the unit owner's share of the rent to the	993
person designated in the declaration for the receipt of $\frac{1}{1}$	994
rent and who otherwise complies with all covenants that, if	995
violated, would entitle the lessor to terminate the lease.	996
(E)(1) Without a vote of the unit owners the board of	997
trustees may amend the declaration in any manner necessary for any	998
of the following purposes:	999
(a) To meet the requirements of institutional mortgagees,	1000
guarantors and insurers of first mortgage loans, the federal	1001
national mortgage association, the federal home loan mortgage	1002
corporation, the federal housing administration, the veterans	1003
administration, and similar institutions;	1004

improvements required by those sections and by divisions (A) and	1035
(B) of section 5311.05 of the Revised Code. The amendment,	1036
pursuant to the declaration and section 5311.04 of the Revised	1037
Code, shall allocate and reallocate percentages of interest	1038
undivided interests in the common areas and facilities elements of	1039
the condominium property appertaining to each unit of the	1040
condominium property. Notwithstanding division (D) of section	1041
5311.04 and division (B)(9) of section 5311.05 of the Revised	1042
Code, the <u>The</u> execution and filing for record <u>of an amendment</u>	1043
submitting additional property to an expandable condominium	1044
property is an effective amendment of the declaration without a	1045
vote of the unit owners.	1046

Sec. 5311.052. If a condominium property for which the 1047 declaration was filed with a county recorder prior to October 1, 1048 1978, has been expanded prior to the effective date of this 1049 section or is expanded on or after the effective date of this 1050 section by the addition of units in accordance with the 1051 declaration, and if an action to contest the change in the 1052 percentage undivided interests in the common areas and facilities 1053 elements of the unit owners by reason of that the amendment to the 1054 declaration effecting the expansion has not been or is not 1055 commenced in a court of competent jurisdiction within two years 1056 after the date that the amendment was or is filed with the county 1057 1058 recorder, or within six months after the effective date of this section, whichever date is later, each of the unit owners of the 1059 condominium property as expanded shall be deemed to have assented 1060 to and ratified the amendment, and the percentage undivided 1061 interests in the common areas and facilities elements of the unit 1062 owners shall no longer be contestable. 1063

Sec. 5311.06. (A)(1) A declaration of condominium property 1064 shall be filed and recorded in the office of the recorder of the 1065

county or counties in which the land or water slips described in	1066
the declaration are situated. All original declarations when filed	1067
shall have attached be accompanied by a set of drawings of the	1068
condominium property, provided for in as required by section	1069
5311.07 of the Revised Code, and a true copy of the bylaws of the	1070
unit owners association, provided for in as required by section	1071
5311.08 of the Revised Code. Any	1072
(2) Any amendment to the declaration by which effects any	1073
change is effected in the bylaws or drawings, including an	1074
amendment to add additional land or an improvement to the	1075
condominium property, shall, when filed, have attached shall be	1076
accompanied by a true copy of the change in the bylaws or and	1077
drawings.	1078
(B) A recorder shall not accept any declaration or amendment	1079
and any attached bylaws and drawings for recording until a copy of	1080
the declaration or amendment and the attached <u>bylaws and</u> drawings	1081
has <u>have</u> been filed with the auditor of the county who shall	1082
endorse on and the declaration or amendment contains the auditor's	1083
<u>certification</u> that copies <u>a copy</u> of the declaration or amendment	1084
and attached any bylaws and drawings have been filed with him the	1085
auditor.	1086
(C) No interest in a unit shall be conveyed until the	1087
declaration, bylaws, and drawings, certified as provided in	1088
required by this section, have been filed for record. Errors or	1089
omissions in the declaration, bylaws, or drawings do not affect	1090
the title of a grantee of a unit.	1091
(D) This section does not prohibit a developer and a	1092
purchaser from entering into an agreement for the sale of a	1093
condominium ownership interest prior to filing the documents that	1094

create that condominium ownership interest.

Sec. 5311.07. $(A)(1)$ A set of drawings shall be prepared for	1096
every condominium property which show that graphically, insofar as	1097
is possible, all the particulars of the land or water slips,	1098
buildings, and other improvements, including, but not limited to,	1099
shows the layout boundaries, location, designation, length, width,	1100
and dimensions height of each unit; the layout boundaries,	1101
location, <u>designation</u> , and dimensions of the common areas and	1102
facilities elements and the limited common areas and facilities,	1103
elements and exclusive use areas; and the location and dimensions	1104
of all appurtenant easements or encroachments, and, if.	1105
(2) If the condominium property is not contiguous, the	1106
drawings shall show the distances between any parcels of land or	1107
any water slips. The	1108
(3) The drawings for commercial units that do not have wall	1109
surfaces shall show the monumental perimeter boundaries of those	1110
units.	1111
(4) The drawings need not show interior walls or partitions	1112
that are not load-bearing.	1113
(B) Each drawing shall bear the both of the following:	1114
(1) The certified statement of a registered surveyor and	1115
registered architect or registered surveyor and licensed	1116
professional engineer that the drawings <u>drawing</u> accurately show	1117
the shows each building or buildings, or water slips, slip as	1118
<u>built or</u> constructed;	1119
(2) The certified statement of a registered professional	1120
surveyor that the drawing accurately reflects the location of all	1121
improvements and recorded easements.	1122
(C) If some, but not all, portions of the condominium	1123
property are to be held by unit owners in a leasehold estate, the	1124
drawings shall show the locations <u>location</u> and dimensions of each	1125

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portion and shall label the portion as leased land or as leased	1126
property. If there is more than one portion of leased land or	1127
leased property, the drawings shall label each portion with one or	1128
more letters or numbers, or both, in a manner that is different	1129
from those the labels designating any other portions of the leased	1130
land or leased property, and different also from the identifying	1131
number of any unit.	1132
In the case of (D) If the condominium property contains any	1133
improvements other than units, the drawings or amendments shall	1134
indicate which, if any, of the improvements have been begun but	1135
have not been substantially completed by the use of the phrase	1136
"(NOT YET COMPLETED)."	1137
(E)(1) If any owner of a convertible unit converts all or any	1138
portion of a convertible unit into one or more units and common	1139
elements, including limited common elements, the owner shall	1140
prepare, file, and record drawings as described in this division	1141
that pertain to the portion of the building, improvement, or	1142
structure that constituted the former convertible unit.	1143
(2) The drawings shall show the boundaries, location,	1144
designation, length, width, and height of each unit formed out of	1145
the former convertible unit; the boundaries, location,	1146
designation, and dimensions of the limited common elements	1147
appurtenant to each unit; and the boundaries, location,	1148
designation, and dimensions of any common element formed out of	1149
the former convertible unit.	1150
(3) Each drawing shall bear the certified statement of a	1151
registered architect or registered professional engineer that the	1152
drawing accurately shows the units, common elements, and	1153
appurtenant limited common elements formed out of the former	1154
convertible unit.	1155
Sec. 5311.08. (A)(1) Every condominium property shall be	1156

administered by a unit owners association, which. All power and	1157
authority of the unit owners association shall be exercised by a	1158
board of trustees, which the unit owners shall elect from among	1159
the unit owners or the spouses of unit owners. If a unit owner is	1160
not an individual, that unit owner may nominate for the board of	1161
trustees any principal, member of a limited liability company,	1162
partner, trustee, officer, or employee of that unit owner.	1163
(2) The board of trustees shall elect a president, secretary,	1164
treasurer, and other officers that the board may desire.	1165
(3) Except as provided in division (A)(4) of this section,	1166
all meetings of the unit owners association and the board of	1167
trustees shall be open to the unit owners. Unless otherwise	1168
provided in the declaration or the bylaws, those present in person	1169
or by proxy when action is taken during a meeting of the unit	1170
owners association shall be a sufficient quorum.	1171
(4) A board of trustees may adjourn any of its meetings to	1172
reconvene in a closed executive session for any reason to which	1173
the board agrees, including to consider condominium	1174
property-related personnel matters, threatened, proposed, or	1175
pending litigation, contract negotiations, enforcement actions,	1176
matters involving the invasion of the privacy of specific unit	1177
owners, or matters that are to remain confidential by request of	1178
the affected parties with the approval of the board of trustees.	1179
During the open meeting prior to adjourning to an executive	1180
session, the board shall announce the general nature of the	1181
business to be considered in the executive session.	1182
(5)(a) A meeting of the board of trustees may be held by any	1183
method of communication, including electronic or telephonic	1184
communication provided that each member of the board can hear,	1185
participate, and respond to every other member of the board and	1186
the board complies with the requirements of division (A)(4) of	1187

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this section.	1188
(b) In lieu of conducting a meeting, the board of trustees	1189
may take action with the unanimous written consent of the members	1190
of the board. Those written consents shall be filed with the	1191
minutes of the meetings of the board.	1192
(B) The unit owners association shall be governed by bylaws.	1193
No modification of or amendment to $\underline{\text{the}}$ bylaws is valid unless it	1194
is set forth in an amendment to the declaration, and the amendment	1195
to the declaration is filed for record. <u>Unless</u>	1196
(B) Unless otherwise provided by the declaration, the bylaws	1197
shall provide for the following:	1198
(1) (1) (a) The election from among the unit owners of a the board	1199
of managers trustees of the unit owners association which shall	1200
exercise, unless otherwise provided in this chapter, the	1201
declaration, or the bylaws, all power and authority of the unit	1202
owners association; the :	1203
(b) The number of persons constituting the board and that	1204
the <u>;</u>	1205
(c) The terms of the members of the board, with not less than	1206
one-third of the members of the board one-fifth to expire	1207
annually; the	1208
(d) The powers and duties of the board; the	1209
(e) The compensation of its the members and the of the board;	1210
	1211
(f) The method of their removal of members of the board from	1212
office; and whether	1213
(g) The election of officers of the board;	1214
(h) Whether or not the services of a manager or managing	1215
agent may be engaged $\dot{\tau}$.	1216

(2) The time and place for holding meetings; the manner of	1217
and authority for calling, giving notice of, and conducting	1218
meetings; and the requirement, in terms of percentage of interest	1219
<u>undivided interests</u> in the common areas and facilities <u>elements</u> ,	1220
of a quorum for meetings of the unit owners association $\dot{\tau}$.	1221
(3) The election by the board of managers of a president, one	1222
or more vice presidents, secretary, treasurer, and such other	1223
officers as the board of managers may desire;	1224
(4) By whom and the procedure by which maintenance, repair,	1225
and replacement of the common areas and facilities elements may be	1226
authorized;	1227
(5)(4) The common expenses for which assessments may be made	1228
and the manner of collecting from the unit owners their respective	1229
shares of the common expenses;	1230
(6)(5) The method of distributing the common profits;	1231
$\frac{(7)(6)}{(6)}$ By whom and the procedure by which administrative	1232
rules governing the operation and use of the condominium property	1233
or any portion of the property may be adopted and amended:	1234
(7) Reasonable standards governing the type and nature of	1235
information and documents that are subject to examination and	1236
copying by unit owners pursuant to section 5311.091 of the Revised	1237
Code, including the times and location at which they may be	1238
examined or copied and any required fee for the copying of the	1239
information or documents.	1240
(C) In a condominium development, the (1) The unit owners	1241
association shall be established not later than the date that the	1242
deed or other evidence of ownership is filed for record following	1243
the first sale of a condominium ownership interest in $\frac{1}{1}$	1244
<pre>condominium development. Membership in the unit owners association</pre>	1245
shall be limited to unit owners, and all unit owners shall be	1246
members. Until the unit owners association is established, the	1247

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developer shall act in all instances where in which action of the	1248
unit owners association or its officers is authorized or required	1249
by law or the declaration.	1250
(2)(a) Not later than sixty days after the time that	125
condominium ownership interests <u>appertaining</u> to which twenty-five	125
per cent of the undivided interests in the common areas and	125
facilities appertain elements have been sold and conveyed by the	125
developer in a condominium development, the unit owners	125
association shall meet, and the unit owners, other than the	125
developer, shall elect not less than twenty-five per cent	125
one-third of the members of the board of managers. Not later than	1258
the time that condominium ownership interests to which fifty per	1259
cent of the undivided interests appertain have been sold and	1260
conveyed, such unit owners shall elect not less than thirty-three	126
and one-third per cent of the members of the board of managers	126
trustees. When	1263
(b) When computing percentages of interest undivided	126
<u>interests</u> in expandable condominium properties for purposes of	126
this division, the percentage of interest undivided interests in	126
common areas and facilities elements shall be computed by	126
comparing the number of units sold and conveyed to the maximum	1268
number of units that may be created, as stated in the declaration	1269
pursuant to division (C)(8) of section 5311.05 of the Revised	1270
Code.	127
(D)(1) Except as stated provided in division (C) of this	127
section, the declaration or bylaws of a condominium development	127
may authorize the developer or persons designated by $\frac{1}{100}$	127
<u>developer</u> to appoint and remove members of the board of <u>managers</u>	127
and other officers trustees of the unit owners association and to	127
exercise the powers and responsibilities otherwise assigned by law	127'

or, the declaration, or the bylaws to the unit owners association,

or to the board of managers, or other officers trustees. Such an

1278

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That authorization may extend from the date of the establishment	1280
of the unit owners association until the earlier earliest of the	1281
following:	1282
(1)(a) Five years, in the case of a if the declaration of the	1283
condominium development the declaration of which includes	1284
expandable condominium property, or three;	1285
(b) Three years in the case of other condominium developments	1286
if the declaration of the condominium development does not include	1287
expandable condominium property;	1288
(2) Thirty (c) Sixty days after the sale and conveyance to	1289
purchasers in good faith for value of condominium ownership	1290
interests to which appertain seventy-five per cent of the	1291
undivided interests in the common areas and facilities to	1292
purchasers in good faith for value elements.	1293
(2) If there is a unit owner other than the developer, the	1294
declaration of a condominium development shall not be amended to	1295
increase the scope or the period of control by the developer.	1296
(3) Within thirty sixty days of after the expiration of any	1297
period during which the developer exercises powers under this	1298
division $(D)(1)$ of this section, the unit owners association shall	1299
meet and elect all members of the board of managers and all other	1300
officers trustees of the unit owners association. The persons so	1301
elected shall take office upon election at the end of the meeting	1302
at which they are elected and shall, as soon as reasonably	1303
possible, appoint officers.	1304
(E) The board of trustees, or the developer while in control	1305
of the association, may take any measures necessary to incorporate	1306
the unit owners association as a not-for-profit corporation.	1307
G. T. F211 001 (7) T7 7	1000
Sec. 5311.081. (A) Unless otherwise provided in the declaration or bylaws, the unit owners association, through the	1308 1309
<u>uectaracton of bytaws, the unit owners association, through the </u>	T309

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board of trustees, shall do both of the following:	1310
(1) Adopt and amend budgets for revenues, expenditures, and	1311
reserves in an amount adequate to repair and replace major capital	1312
items in the normal course of operations without the necessity of	1313
special assessments, provided that the amount set aside annually	1314
for reserves shall not be less than ten per cent of the budget for	1315
that year unless the reserve requirement is waived annually by the	1316
unit owners exercising not less than a majority of the voting	1317
power of the unit owners association;	1318
(2) Collect assessments from common expenses from unit	1319
owners.	1320
(B) Unless otherwise provided in the declaration, the unit	1321
owners association, through the board of trustees, may exercise	1322
all powers of the association, including the power to do the	1323
following:	1324
(1) Hire and fire managing agents, attorneys, accountants,	1325
and other independent contractors and employees that the board	1326
determines are necessary or desirable in the management of the	1327
condominium property and the association;	1328
(2) Commence, defend, intervene in, settle, or compromise any	1329
civil, criminal, or administrative action or proceeding that is in	1330
the name of, or threatened against, the unit owners association,	1331
the board of trustees, or the condominium property, or that	1332
involves two or more unit owners and relates to matters affecting	1333
the condominium property;	1334
(3) Enter into contracts and incur liabilities relating to	1335
the operation of the condominium property;	1336
(4) Regulate the use, maintenance, repair, replacement,	1337
modification, and appearance of the condominium property;	1338
(5) Adopt rules that regulate the use or occupancy of units,	1339

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the maintenance, repair, replacement, modification, and appearance	1340
of units, common elements, and limited common elements when the	1341
actions regulated by those rules would affect common elements or	1342
other units;	1343
(6) Cause additional improvements to be made as part of the	1344
common elements;	1345
(7) Subject to any restrictions in the declaration or bylaws	1346
and with the approvals required by divisions (H)(1) and (2) of	1347
section 5311.04 of the Revised Code, the unit owners association	1348
may acquire an interest in real property and encumber or convey	1349
that interest. All expenses incurred in connection with the	1350
acquisition, encumbrance, use, and operation of that interest	1351
shall be common expenses.	1352
(8) Acquire, encumber, and convey or otherwise transfer	1353
<pre>personal property;</pre>	1354
(9) Hold in the name of the unit owners association the real	1355
property and personal property acquired pursuant to divisions	1356
(B)(7) and (8) of this section;	1357
(10) Grant easements, leases, licenses, and concessions	1358
through or over the common elements;	1359
(11) Impose and collect fees or other charges for the use,	1360
rental, or operation of the common elements or for services	1361
<pre>provided to unit owners;</pre>	1362
(12) Impose interest and late charges for the late payment of	1363
assessments, impose returned check charges, and, pursuant to	1364
division (C) of this section, impose reasonable enforcement	1365
assessments for violations of the declaration, the bylaws, and the	1366
rules of the unit owners association, and impose reasonable	1367
charges for damage to the common elements or other property;	1368
(13) Adopt and amend rules that regulate the collection of	1369

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delinquent assessments and the application of payments of	1370
delinquent assessments;	1371
(14) Subject to applicable laws, adopt and amend rules that	1372
regulate the termination of a utility or other service to a	1373
commercial unit if the unit owner is delinquent in the payment of	1374
an assessment that pays, in whole or in part, the cost of that	1375
service;	1376
(15) Impose reasonable charges for preparing, recording, or	1377
copying amendments to the declaration, resale certificates, or	1378
statements of unpaid assessments;	1379
(16) Enter a unit for bona fide purposes when conditions	1380
exist involving an imminent risk of damage or harm to common	1381
elements, another unit, or to the health or safety of the	1382
occupants of that unit or another unit;	1383
(17) To the extent provided in the declaration or bylaws,	1384
assign the unit owners association's rights to common assessments,	1385
or other future income, to a lender as security for a loan to the	1386
unit owners association;	1387
(18) Suspend the voting privileges and use of recreational	1388
facilities of a unit owner who is delinquent in the payment of	1389
assessments for more than thirty days;	1390
(19) Purchase insurance and fidelity bonds considered to be	1391
appropriate or necessary;	1392
(20) Invest excess funds in investments meeting standards for	1393
fiduciary investments under Ohio law;	1394
(21) Exercise any of the following:	1395
(a) Powers conferred by the declaration or the bylaws of the	1396
unit owners association or the board of trustees;	1397
(b) Powers necessary to incorporate the unit owners	1398
association as a not-for-profit corporation;	1399

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(c) Powers that may be exercised in this state by a not-for-profit corporation;	1400 1401
(d) Powers that are necessary and proper for the government	1402
and operation of the unit owners association.	1403
(C)(1) Prior to imposing a charge for damages or an	1404
enforcement assessment pursuant to division (B) of this section,	1405
the board of trustees shall give the unit owner a written notice	1406
that includes all of the following:	1407
(a) A description of the property damage or violation;	1408
(b) The proposed charge or enforcement assessment;	1409
(c) A statement that the owner has a right to a hearing	1410
before the board of trustees to contest the proposed charge or	1411
<pre>enforcement assessment;</pre>	1412
(d) A statement setting forth the procedures required by	1413
division (C)(2) of this section;	1414
(e) A reasonable date by which the unit owner must cure the	1415
violation to avoid any proposed charge or penalty assessment.	1416
(2)(a) To request a hearing, the owner shall deliver a	1417
written notice to the board of trustees no later than the tenth	1418
day after receiving the notice required by division (C)(1) of this	1419
section. If the owner fails to make a timely request for a	1420
hearing, the right to that hearing is waived and the board may	1421
immediately impose enforcement assessments pursuant to this	1422
section.	1423
(b) If a unit owner requests a hearing, at least seven days	1424
prior to the hearing, the board of trustees must provide the unit	1425
owner with a written notice that includes the date, time, and	1426
location of the hearing.	1427
(3) The board of trustees shall not levy an enforcement	1428
assessment before holding any hearing requested pursuant to this	1429

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division.	1430
(4) The unit owners, through the board of trustees, may allow	1431
a reasonable time to cure a violation described in division (B) of	1432
this section.	1433
(5) Within thirty days following a hearing at which the board	1434
of trustees imposes a charge or enforcement assessment, the unit	1435
owners association shall deliver a written notice of the charge or	1436
enforcement assessment to the unit owner.	1437
(6) Any written notice required by this section shall be	1438
delivered to the unit owner or any occupant of the unit by	1439
personal delivery, by certified mail, return receipt requested, or	1440
by regular mail.	1441
Sec. 5311.09. (A) $\frac{\text{Each}}{\text{Each}}$ (1) The unit owners association shall	1442
keep correct and complete books and records of account, specifying	1443
that specify the receipts and expenditures relating to the common	1444
areas and facilities elements and other common receipts and	1445
expenses, together with: records showing the allocation,	1446
distribution, and collection of the common profits, losses, and	1447
expenses among and from the unit owners; minutes of the	1448
proceedings meetings of the unit owners association and the board	1449
of managers trustees; and records of the names and addresses of	1450
the unit owners and their respective percentages of undivided	1451
interest in the common areas and facilities elements.	1452
(2) Within thirty days after a unit owner obtains a	1453
condominium ownership interest, the unit owner shall provide the	1454
following information in writing to the unit owners association	1455
through the board of trustees:	1456
(a) The home address, home and business mailing addresses,	1457
and the home and business telephone numbers of the unit owner and	1458
all occupants of the unit;	1459

(b) The name, business address, and business telephone number	1460
of any person who manages the owner's unit as an agent of that	1461
owner.	1462
(c) Within thirty days after a change in any information	1463
required by this division, a unit owner shall notify the	1464
association, through the board of trustees, in writing of the	1465
change. When requested by the board of trustees, a unit owner	1466
shall verify or update the information required by this division.	1467
(B) Whenever (1) When elected members of a board of managers	1468
trustees of a unit owners association take control of the	1469
association, the declarant or developer shall deliver to such	1470
officers correct and complete books and records of account, as	1471
required in division (A) of this section, and any the board of	1472
trustees correct and complete copies of all of the following:	1473
(a) The books, records, and minutes referred to in division	1474
(A) of this section;	1475
(b) The declaration, the bylaws, the drawings prepared	1476
pursuant to section 5311.07 of the Revised Code, as recorded, and	1477
any articles of incorporation of the unit owners association, as	1478
recorded;	1479
(c) Except in the case of a conversion condominium,	1480
documents, information, and sources of information concerning the	1481
location of underground utility lines, and plans and	1482
specifications that are not proprietary or copyrighted, of the	1483
buildings, other improvements, and structures of the condominium	1484
property that are reasonably available to the developer, but only	1485
in connection with condominium developments declared on or after	1486
the effective date of this amendment and condominium developments	1487
that are declared prior to that date but originally built or	1488
constructed on or after that date.	1489
(2) The board of trustees may commence a civil action on	1490

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behalf of the unit owners association in the court of common pleas	1491
of the county in which the condominium property is located to	1492
obtain injunctive relief or recover damages for harm resulting	1493
from the declarant's or developer's failure to do so may be	1494
recovered in a civil action comply with this division.	1495
Sec. 5311.091. (A) Except as otherwise prohibited by this	1496
section, any member of a unit owners association may examine and	1497
copy the books, records, and minutes described in division (A) of	1498
section 5311.09 of the Revised Code pursuant to reasonable	1499
standards set forth in the declaration or bylaws, which may	1500
include, but are not limited to standards governing the type of	1501
documents that are subject to examination and copying, the times	1502
and locations at which those documents may be examined or copied,	1503
and the specification of a reasonable fee for copying the	1504
documents.	1505
(B) The unit owners association is not required to permit the	1506
examination and copying of any of the following from books,	1507
records, and minutes:	1508
(1) Information that pertains to condominium property-related	1509
personnel matters;	1510
(2) Communications with legal counsel or attorney work	1511
product pertaining to pending litigation or other condominium	1512
<pre>property-related matters;</pre>	1513
(3) Information that pertains to contracts or transactions	1514
$\underline{\text{currently under negotiation, or information that is contained in } \underline{\text{a}}$	1515
contract or other agreement containing confidentiality	1516
requirements and that is subject to those requirements;	1517
(4) Information that relates to the enforcement of the	1518
declaration, bylaws, or rules of the unit owners association	1519
against unit owners;	1520

affecting both such the unit to be conveyed and any other part of	1551
the condominium property have been paid and satisfied, or the unit	1552
being to be conveyed has been released from the operation thereof	1553
of those liens and encumbrances, or the lien has been assumed by	1554
the purchaser of the unit.	1555

Sec. 5311.13. (A) Liens and encumbrances shall arise with

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respect to and shall affect a unit of a condominium property and

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the percentage of undivided interest in the common areas and

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facilities elements appurtenant to it in the same manner and under

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the same conditions in every respect as the same liens and

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encumbrances may arise with respect to and affect any other real

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estate, except as provided in this section.

- (B) Any person who does work or labor upon or furnishes machinery, material, or fuel for the alteration or repair of any unit without the consent or authorization of the any owner, part-owner or lessee of any interest in the unit, or his the owner's or lessee's authorized agent, is nevertheless is entitled to a lien to secure payment therefor for the work, labor, machinery, material, or fuel on the estate or interest in the unit of the owner, pursuant to sections 1311.01 to 1311.38 of the Revised Code, if the work, labor, alteration, or repair has been was duly authorized or directed by the board of managers trustees of the unit owners association and has been was necessary in the opinion of the board of managers trustees for public safety or in order to prevent damage to or destruction of any other part of the condominium property.
- (C) Any person who does work or labor upon or furnishes 1577 machinery, material, or fuel for the construction, alteration, 1578 repair, improvement, enhancement, or embellishment of any part of 1579 the common areas and facilities elements of any condominium 1580 property is entitled to a lien to secure payment therefor for the 1581

work, labor, machinery, material, or fuel on the estates or 1582 interests of all owners in all units and their respective 1583 percentages of interest undivided interests in the common areas 1584 and facilities elements, pursuant to sections 1311.01 to 1311.38 1585 of the Revised Code, if the work, labor, construction, alteration, 1586 repair, improvement, enhancement, or embellishment has been was 1587 duly authorized or directed by the board of managers trustees of 1588 the unit owners association. 1589

- (D) Whenever any If a lien or encumbrance arises with respect 1590 to and affects any estate or interest in two or more units, the 1591 proportionate amount of the obligation secured or evidenced by the 1592 lien or encumbrance that is attributable to the estate or interest 1593 in any such unit of that nature shall be in the ratio that the 1594 percentage of interest undivided interests in the common areas and 1595 facilities elements appurtenant to that unit bears to the total 1596 percentages of interest undivided interests in the common areas 1597 and facilities elements appurtenant to all such units of that 1598 nature. An estate or interest in a unit may be released and 1599 discharged from the operation of the lien or encumbrance, in the 1600 same manner and to the same extent that a lien or encumbrance 1601 could be released and discharged with respect to any separate 1602 parcel of real estate, by payment to the person or persons 1603 entitled thereto lienholder or encumbrancer of the proportionate 1604 amount of the obligation secured or evidenced by the lien or 1605 encumbrance that is attributable to the estate or interest. 1606
- (E)(1) When a lien exists under Chapter 1311. of the Revised 1607

 Code to secure payment for work or labor done or machinery, 1608

 material, or fuel furnished for property, which thereafter that 1609

 subsequently becomes condominium property through the filing and 1610

 recording of a declaration under section 5311.06 of the Revised 1611

 Code, regardless of the condominium property to which the lien 1612

 originally attached, after the declaration is filed for record, 1613

areas and facilities elements of a condominium property, the unit	1645
owners, by the affirmative vote of those entitled to exercise not	1646
less than seventy-five per cent of the voting power or $\frac{1}{2}$	1647
greater per cent as may be provided in the declaration, may elect	1648
not to repair or restore the same damaged or destroyed common	1649
elements. Upon such	1650
(2) Upon an election not to repair or restore, all of the	1651
condominium property is subject to an action for sale as upon	1652
partition at the suit of any unit owner owners exercising a	1653
majority of the voting power of unit owners. In the event of any	1654
such sale or a sale of the condominium property after such	1655
election by agreement of all unit owners If the condominium	1656
property is sold pursuant to division (B)(2) of this section, the	1657
any net proceeds of the sale, together with the net proceeds of	1658
insurance, $\frac{1}{1}$ any, and $\frac{1}{1}$ any other indemnity arising because of	1659
such the damage or destruction, shall be considered as one fund	1660
and shall be distributed to all unit owners in proportion to their	1661
respective percentages of interest the undivided interests in the	1662
common areas and facilities elements appurtenant to their units.	1663
No	1664
${ m No}$ unit owner is entitled to receive any portion of ${ m his}$ the	1665
unit owner's share of such those proceeds until all liens and	1666
encumbrances on his the unit, except taxes and assessments of	1667
political subdivisions not then due and payable, have been paid,	1668
released, or discharged.	1669

Sec. 5311.16. Unless otherwise provided by the declaration or 1670 bylaws, the board of managers trustees shall insure all unit 1671 owners, their tenants, and all persons lawfully in possession or 1672 control of any part of the condominium property for such the 1673 amount as it determines against liability for personal injury or 1674 property damage arising from or relating to the common areas and 1675 facilities elements and shall also obtain for the benefit of all 1676

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the auditor of the same county who shall endorse on the	1708
certificate that, and the certificate contains the auditor's	1709
endorsement that a copy thereof has been filed with him the	1710
auditor.	1711
(C) A condominium property shall be deemed removed from the	1712
provisions of Chapter 5311. of the Revised Code this chapter upon	1713
the filing of the certificate with the recorder or recorders, and	1714
upon such that removal, the property shall be owned in common by	1715
the unit owners. The undivided interest in the property owned by	1716
each unit owner shall be the percentage of undivided interest in	1717
the common areas and facilities elements appurtenant to the units	1718
in the condominium property previously owned by such each owner.	1719
Sec. 5311.18. (A) (1) Unless otherwise provided by the	1720
declaration or the bylaws, the unit owners association shall have	1721
a lien upon the estate or interest of the owner in any unit and	1722
the appurtenant percentage of undivided interest in the common	1723
areas and facilities elements for the payment of any of the	1724
portion of the common expenses following expenses that may be	1725
chargeable against the unit <u>and</u> that remains <u>remain</u> unpaid for ten	1726
days after the any portion has become due and payable:	1727
(a) The portion of the common expenses chargeable against the	1728
unit;	1729
(b) Interest, administrative late fees, enforcement	1730
assessments, and collection costs, attorney's fees, and paralegal	1731
fees incurred by the association if authorized by the declaration,	1732
the bylaws, or the rules of the unit owners association and if	1733
chargeable against the unit.	1734
(2) Unless otherwise provided by the declaration, the bylaws,	1735
or the rules of the unit owners association, the association shall	1736
credit payments made by a unit owner for the expenses described in	1737
divisions (A)(1)(a) and (b) of this section in the following order	1738

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of priority:	1739
(a) First, to interest owed to the association;	1740
(b) Second, to administrative late fees owed to the	1741
association;	1742
(c) Third, to collection costs, attorney's fees, and	1743
paralegal fees incurred by the association;	1744
(d) Fourth, to the principal amounts owed by the unit owner	1745
to the association for the common expenses or penalty assessments	1746
chargeable against the unit.	1747
(3) The lien described in division (A)(1) of this section is	1748
effective on the date $\underline{\text{that}}$ a certificate of lien $\underline{\text{in the form}}$	1749
described in this division is filed for record in the office of	1750
the recorder of the county or counties in which the condominium	1751
property is situated pursuant to an authorization given by the	1752
board of managers trustees of the unit owners association. The	1753
certificate shall contain a description of the unit, the name of	1754
the record owner of the unit, and the amount of the unpaid portion	1755
of the common expenses and, subject to subsequent adjustments, any	1756
unpaid interest, administrative late fees, enforcement	1757
assessments, collection costs, attorney's fees, and paralegal	1758
fees. The certificate shall be subscribed by the president or	1759
other chief officer of the unit owners designated representative	1760
of the association. The	1761
(4) The lien described in division (A)(1) of this section is	1762
valid for a period of five years from the date of filing, unless	1763
it is sooner released or satisfied in the same manner provided by	1764
law for the release and satisfaction of mortgages on real property	1765
or <u>unless it is</u> discharged by the final judgment or order of a	1766
court in an action brought to discharge the lien as provided in	1767
division (C) of this section.	1768
(B) (1) The lien provided for by described in division (A) (1)	1769

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of this section is prior to any lien or encumbrance subsequently	1770
arising or created, except liens for real estate taxes and	1771
assessments of political subdivisions and liens of first mortgages	1772
that have been filed for record, and may be foreclosed in the same	1773
manner as a mortgage on real property in an action brought on	1774
behalf of the unit owners association by its the president or	1775
other chief officer of the association pursuant to authority given	1776
to him that individual by the board of managers trustees. In the	1777
(2) In a foreclosure action commenced by a unit owners	1778
association pursuant to division (B)(1) of this section or a	1779
foreclosure action commenced by the holder of a first mortgage or	1780
other lien on a unit, the owner of the unit affected, as the	1781
defendant in the action, shall be required to pay a reasonable	1782
rental for the unit during the pendency of the action, and the	1783
plaintiff in the action . The unit owners association or the holder	1784
of the lien is entitled to the appointment of a receiver to	1785
collect the rental. In the <u>Each rental received by a receiver</u>	1786
during the pendency of the foreclosure action shall be applied	1787
first to the payment of the portion of the common expenses	1788
chargeable to the unit during the foreclosure action.	1789
(3) In a foreclosure action commenced by the holder of a lien	1790
on a unit, the holder of that lien shall name the unit owners	1791
association as a defendant in the action.	1792
(4) Unless prohibited by the declaration or the bylaws,	1793
following a foreclosure action commenced by a unit owners	1794
association pursuant to division (B)(1) of this section or a	1795
foreclosure action commenced by the holder of a lien on a unit,	1796
the unit owners association, or its agent, duly authorized by	1797
action of its the board of managers, trustees is entitled, unless	1798
prohibited by the declaration or bylaws, to become a purchaser at	1799
the foreclosure sale.	1800

(5) A mortgage on a unit may contain a provision that secures

action for damages or, injunctive relief, or both, and an award of	1834
court costs and reasonable attorney's fees in both types of	1835
action.	1836
(B)(1) Except as otherwise provided in the declaration or the	1837
bylaws, a unit owners association may initiate eviction	1838
proceedings, pursuant to Chapters 5321. and 1923. of the Revised	1839
Code, to evict a tenant for a violation of the provisions set	1840
forth in division (A) of this section. The action shall be brought	1841
by the unit owners association, as the unit owner's agent, in the	1842
name of the unit owner.	1843
(2) In addition to any procedures required by Chapters 5321.	1844
and 1923. of the Revised Code, the unit owners association shall	1845
give the unit owner at least ten days written notice of the	1846
intended eviction action.	1847
(3) The costs of any eviction action brought pursuant to this	1848
division, including reasonable attorney fees, shall be charged to	1849
the unit owner and shall be the subject of a special assessment	1850
against the offending unit and made a lien against that unit.	1851
God F311 20 In any action relating to the gamman areas and	1050
Sec. 5311.20. In any action relating to the common areas and	1852
facilities elements or to any right, duty, or obligation possessed	1853
or imposed upon the unit owners association, by statute or	1854
otherwise, the unit owners association may sue or be sued as a	1855
separate legal entity. In any such action <u>of that nature</u> , service	1856
of summons or other process may be made upon the unit owners	1857
association by serving the same process personally upon the	1858
president or other chief officer thereof or upon the person	1859
designated representative of the unit owners association named in	1860
the declaration as the person to receive service of process	1861
therefor for the association, or the person named as statutory	1862
agent of the association if it is an incorporated entity, or by	1863
leaving the same process at the residence or place of business of	1864

such a person set forth named in the declaration or named as	1865
statutory agent. Any such action of that nature brought by or on	1866
behalf of the unit owners association shall be pursuant to	1867
authority granted by its the board of managers trustees.	1868
Sec. 5311.21. The Unless retained by the board of trustees as	1869
reserves, the common profits of a condominium property shall be	1870
distributed among, and, except as provided in division (B) of	1871
section 5311.041 of the Revised Code, the common expenses shall be	1872
charged to the unit owners according to the percentages of	1873
interest undivided interests in the common areas and facilities	1874
<u>elements</u> appurtenant to their respective units.	1875
Sec. 5311.22. (A) Unless otherwise provided in the	1876
declaration or bylaws, each unit owner of a condominium property	1877
may exercise that percentage of the total voting power of all unit	1878
owners on any question for which the vote of unit owners is	1879
permitted or required that is equivalent to the percentage of	1880
<u>undivided</u> interest in the common areas and facilities <u>elements</u>	1881
appurtenant to his the owner's unit.	1882
(B) Fiduciaries and minors who are owners of record of a unit	1883
or units may vote their respective interests as unit owners. $\pm f$	1884
Unless otherwise provided in the declaration or bylaws, if two or	1885
more persons, whether fiduciaries, tenants in common, or	1886
otherwise, own undivided interests in a unit, each <u>person</u> may	1887
exercise the proportion of the voting power of all \underline{of} the owners	1888
of <u>his</u> <u>the</u> unit that is equivalent to <u>his</u> <u>the person's</u>	1889
proportionate <u>undivided</u> interest in the unit.	1890
(C) A fiduciary for a unit owner or of the estate of a unit	1891
owner may vote as though $\frac{1}{2}$ the fiduciary were the unit owner when	1892
he the fiduciary has furnished to the unit owners association	1893

proof, satisfactory to it, of $\frac{1}{2}$ the fiduciary's appointment and

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owned any <u>estate or</u> interest in the condominium property.	1926
(D) An action by the unit owners association under this	1927
section may be commenced by the association in its own name, or in	1928
the name of its the board of managers trustees, or in the name of	1929
its the association's managing agent.	1930
Sec. 5311.24. Sections 5311.25 to 5311.27 of the Revised Code	1931
do not apply to any of the following, unless the method of	1932
disposing of the condominium property is adopted for the purpose	1933
of evading their provisions:	1934
(A) The sale of a condominium ownership interest solely for	1935
commercial or industrial purposes or uses;	1936
(B) The sale of real estate under or pursuant to court order;	1937
	1938
(C) The sale of real estate by the United States or any of	1939
its agencies or instrumentalities, or by this state or any	1940
political subdivision of this state, or <u>by</u> any of their agencies	1941
or instrumentalities;	1942
(D) The sale of condominium ownership interests in individual	1943
dwelling units or individual water slip units, and \underline{in} their	1944
appurtenant common areas and facilities elements for his own the	1945
account $\frac{by}{of}$ a person other than a declarant, developer, or agent	1946
when the sale is not conducted pursuant to the common promotional	1947
plan of the developer for sales in a condominium development.	1948
	1949
Sec. 5311.25. No developer or agent, directly or indirectly,	1950
shall sell or offer to sell a condominium ownership interest in a	1951
condominium development unless the condominium instruments	1952
pertaining to the development provide that:	1953
(A) Any (1) Except as provided in division (A)(2) of this	1954

section, any deposit or down payment made in connection with the	1955
sale of a condominium ownership interest will be held in trust or	1956
escrow until delivered at settlement or, until returned to or	1957
otherwise credited to the purchaser, or <u>until</u> forfeited to the	1958
developer, and that if. If a deposit or down payment of more than	1959
two thousand dollars or more is held for more than ninety days,	1960
interest at the <u>a</u> rate of at least four per cent per annum equal	1961
to the prevailing rate payable by federally insured financial	1962
institutions in the county of the condominium property on daily	1963
interest accounts for any period exceeding ninety days shall be	1964
credited to the purchaser at settlement or upon return or other	1965
credit made to the purchaser, or <u>shall be</u> added to any forfeiture	1966
to the developer $\dot{ au}$. That interest shall be payable only on the	1967
amount of the deposit or down payment that exceeds two thousand	1968
dollars.	1969

(2)(a) If a contract for the sale of a condominium ownership 1970 interest contains the legend described in division (A)(2)(b) of 1971 this section, a developer may, in accordance with the contractual 1972 provisions, withdraw a deposit or down payment from trust or 1973 escrow upon the commencement of construction of a building, 1974 improvement, or other structure of the condominium property in 1975 which the purchaser's unit will be located and use the moneys so 1976 withdrawn in the actual construction and development of the 1977 condominium property. The developer shall not use the moneys so 1978 withdrawn for advertising purposes or for the salaries, 1979 commissions, or expenses of agents. 1980

(b) A contract that permits withdrawals of a deposit or down

payment for the purposes described in division (A)(2)(a) of this

section shall include the following legend conspicuously printed

or stamped in boldface type on the contract's first page and

immediately above the signature of the purchaser: "Purchaser

acknowledges that, pursuant to this contract, the developer may

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benefit of the additional property;	2018
(b) The availability of utilities from and to the common	2019
elements for the benefit of the additional property.	2020
(3) The developer may retain the right to enter upon the	2021
condominium property to fulfill any warranty obligations to the	2022
unit owners association or to unit owners.	2023
(C) The owners of condominium ownership interests that have	2024
been sold by the developer or his an agent will shall assume	2025
control of the common areas and facilities elements and of the	2026
unit owners association as prescribed in division (C) of section	2027
5311.08 of the Revised Code+.	2028
(D) Neither Unless a contract or other agreement of that	2029
nature is renewed by a vote of the unit owners exercising a	2030
majority of the voting power of the unit owners association,	2031
neither the unit owners association nor the unit owners will shall	2032
be subject for more than ninety days subsequent to the date that	2033
the unit owners other than the developer assume control of the	2034
unit owners association, to any management contract or agreement	2035
executed prior to the that assumption of control required by	2036
division (C) of this section, nor shall they be subject for more	2037
than one year subsequent to that assumption of control unless such	2038
a contract or agreement is renewed by a vote of the unit owners	2039
pursuant to the bylaws required by section 5311.08 of the Revised	2040
Code; to any other contract executed prior to that assumption of	2041
control, except for contracts for necessary utility services.	2042
	2043
(E)(1) Except as provided in division $(E)(4)$ of this section,	2044
the developer has furnished, as a shall furnish both of the	2045
<pre>following:</pre>	2046
$\underline{(a)}$ A minimum, \underline{of} a two-year warranty covering the full cost	2047
of labor and materials for any repair or replacement of roof and	2048

good faith for value.

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- (4) In the case of The valid assignment by the developer of 2081 the express and implied warranty of the manufacturer satisfies the 2082 developer's obligation under this section with respect to ranges, 2083 refrigerators, washing machines, clothes dryers, hot water 2084 heaters, and other similar appliances installed and furnished as 2085 part of the unit by the developer, the valid assignment by the 2086 developer of the express and implied warranty of the manufacturer 2087 satisfies the developer's obligation under this division with 2088 respect to such appliances, and the. The developer's warranty 2089 under this division (E)(1) of this section is limited to the 2090 installation of the appliances. 2091
- (5) All warranties made to the developer that exceed time periods specified in this division (E)(1) of this section with respect to any part of the units or a unit shall be assigned to the purchaser of that unit and warranties with respect to any part of the common areas and facilities elements shall be assigned to the purchaser unit owners association.
- (F) The developer will shall assume the rights and obligations of a unit owner in his the developer's capacity as owner of condominium ownership interests not yet sold, including, without limitation, the obligation to pay common expenses attaching to such those interests, from the date the declaration is filed for record even if the construction of the units and the appurtenant common elements subject to the condominium ownership interests has not started or is not completed.
- (G) In the case of a conversion condominium development, all 2106 tenants were offered the developer shall offer each tenant an 2107 option, exercisable within not less than ninety days after notice, 2108 to purchase a condominium ownership interest in the development, 2109 and such tenants were given that the tenant occupies and at a 2110 price that is no greater than the price at which the unit will be 2111

omit any material fact or contain any untrue statement of a	2144
material fact and shall contain all of the following:	2145
(A) The name and address of the condominium development, and	2146
the name, address, and telephone number of the developer and of	2147
the development manager <u>if other than the developer</u> , or his <u>that</u>	2148
<pre>manager's agent;</pre>	2149
(B) A general narrative description of the development	2150
stating the total number of units, a description of the types of	2151
units and price of each type of unit, the total number of units	2152
that may be included in the development by reason of future	2153
expansion or merger of the development, and a precise statement of	2154
the nature of the condominium ownership interest that is being	2155
offered;	2156
(C) A general disclosure of the following:	2157
(1) The status of construction, zoning, site plan, or other	2158
<pre>governmental approvals, and compliance;</pre>	2159
(2) Compliance or notice of failure to comply with any other	2160
federal, state, or local statutes or regulations affecting the	2161
development, and the:	2162
(3) The actual or scheduled dates of completion of any	2163
buildings, recreation facilities, and other common areas and	2164
facilities elements;	2165
(4) Whether the developer is required to construct	2166
recreational facilities or other common elements;	2167
(D) The significant terms of any financing offered by or	2168
through the developer to purchasers of the condominium ownership	2169
interests in the development, including the name of any bank or	2170
other institution involved in the financing, the minimum down	2171
payment, a statement that the prospective purchaser may obtain	2172
financing from another bank or institution, and the annual	2173

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interest rate;	2174
(E) A description of warranties for structural elements and	2175
mechanical and other systems, stated separately for units and for	2176
common areas and facilities elements;	2177
(F) A two-year projection, revised and updated at least every	2178
six months within the past year if changed, unless the developer	2179
no longer controls the association, of annual expenditures	2180
necessary to operate and maintain the common areas and facilities	2181
elements of the condominium development, and the cost of any	2182
mandatory dues and membership in a not-for-profit organization	2183
described in division (B)(9) of section 5311.05 of the Revised	2184
Code. The projection shall be prepared by the developer and,	2185
specifically stating state the assumptions and bases of the	2186
projection, and <u>include</u> a complete statement of <u>the</u> estimated	2187
monthly cost per unit for such the two-year period, including all	2188
of the following:	2189
(1) The formula for determining each unit's share of common	2190
expenses;	2191
(2) The amount of taxes and insurance and a description of	2192
the basis or formula used in arriving at these amounts that	2193
amount;	2194
(3) The dollar amount of operating and maintenance expenses;	2195
(4) The monthly cost of utilities;	2196
(5) Any other costs, fees, and assessments reasonably	2197
ascertainable by the developer.	2198
(G) In the case of For a conversion condominium development,	2199
the offering price of each unsold unit or type of unsold unit and	2200
a report by the developer stating the age, the condition, and the	2201
developer's opinion of the remaining useful life of structural	2202
elements and mechanical and supporting systems, together with the	2203

the purchaser's right to review the condominium instruments, the

purchaser's right to void the contract, any conditions for the

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return of \underline{a} deposit, and \underline{a} statement of the rights of purchasers	2235
under section 5311.27 of the Revised Code;	2236
(K) The existence or requirement for the establishment of a	2237
reserve fund to finance the cost of repair or replacement of the	2238
components of the common areas and facilities elements;	2239
(L) The significant terms of any encumberances encumbrances,	2240
easements, liens, and matters of title affecting the condominium	2241
development;	2242
(M) A statement of the requirement for escrow of deposits and	2243
the right of the developer to use all or any part of these;	2244
(N) A statement of any restraints on the free alienability of	2245
all or any part of the condominium development;	2246
(0) A statement describing any present litigation concerning	2247
the condominium development.	2248
Sec. 5311.27. (A) (1) In addition to any other remedy	2249
available, a contract or agreement for the sale of a condominium	2250
ownership interest that is executed in violation of section	2251
5311.25 or 5311.26 of the Revised Code shall be voidable by the	2252
purchaser for a period until the earlier of the following:	2253
(a) The conveyance of the title to the condominium ownership	2254
interest to the purchaser;	2255
(b) The later of fifteen days after the date of contract was	2256
entered into for sale of the condominium ownership interest or	2257
fifteen days after the date upon which the purchaser executes a	2258
document evidencing receipt of the information required by section	2259
5311.26 of the Revised Code , whichever occurs later . Upon	2260
(2) Upon the exercise of this the right to void the contract	2261
or agreement, the developer or $\frac{1}{2}$ and $\frac{1}{2}$ agent shall refund fully and	2262
promptly to the purchaser any deposit or other prepaid fee or item	2263
and any amount paid on the purchase price, and shall pay all	2264

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closing costs paid by the purchaser or for which he the purchaser	2265
is liable in connection with the void sale.	2266
(B) $\underline{(1)}$ Any developer or agent who sells a condominium	2267
ownership interest in violation of section 5311.25 or 5311.26 of	2268
the Revised Code shall be liable to the purchaser in an amount	2269
equal to the difference between the amount paid for the interest	2270
and the least of the following amounts:	2271
$\frac{(1)}{(a)}$ The fair market value of the interest as of the time	2272
the suit is brought;	2273
$\frac{(2)(b)}{(b)}$ The price at which the interest is disposed of in a	2274
bona fide market transaction before suit is brought;	2275
$\frac{(3)(c)}{(c)}$ The price at which the unit is disposed of after suit	2276
in a bona fide market transaction, after suit is brought but	2277
before judgment <u>is entered</u> . In	2278
(2)(a) In no case shall the amount recoverable under this	2279
division section be less than the sum of five hundred dollars for	2280
each violation against each purchaser bringing an action under	2281
this division section, together with court costs and reasonable	2282
attorneys' attorney's fees. If	2283
(b) If the purchaser complaining of the violation of section	2284
5311.25 or 5311.26 of the Revised Code has brought or maintained	2285
an action he <u>that the purchaser</u> knew to be groundless or in bad	2286
faith and \underline{if} the developer or agent prevails, the court shall	2287
award reasonable attorneys' attorney's fees to the developer or	2288
agent.	2289
(C) $\underline{\text{(1)}}$ If $\frac{\text{he}}{\text{the attorney general}}$ has reason to believe $\underline{\text{that}}$	2290
substantial numbers of persons are affected and substantial harm	2291
is occurring or is about to occur to such those persons, or that	2292
the case is otherwise of substantial public interest, the attorney	2293
general may do either of the following:	2294
$\frac{(1)}{(a)}$ Bring an action to obtain a declaratory judgment that	2295

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of land under division $\frac{(B)(A)(2)}{(B)(B)}$ of section 317.08 of the Revised	2360
Code. The county recorder shall index the certificate in the	2361
indexes provided for under section 317.18 of the Revised Code. If	2362
the lien is subsequently canceled, the cancellation also shall be	2363
recorded by the county recorder.	2364
(2) Notwithstanding Chapter 1309., Title LIII, or any other	2365
provision of the Revised Code, a secured party holding a security	2366
interest in a tax certificate or memorandum thereof may perfect	2367
that security interest only by one of the following methods:	2368
(a) Possession;	2369
(b) Registering the tax certificate with the county treasurer	2370
in the name of the secured party, or its agent or custodian, as	2371
certificate holder;	2372
(c) Recording the name of the secured party in the	2373
certificate register in the office of the county treasurer of the	2374
county in which the certificate parcel is situated.	2375
Section 2. That existing sections 317.08, 317.09, 5301.01,	2376
5301.25, 5301.255, 5311.02, 5311.03, 5311.04, 5311.05, 5311.051,	2377
5311.052, 5311.06, 5311.07, 5311.08, 5311.09, 5311.10, 5311.11,	2378
5311.12, 5311.13, 5311.14, 5311.16, 5311.17, 5311.18, 5311.19,	2379
5311.20, 5311.21, 5311.22, 5311.23, 5311.24, 5311.25, 5311.26,	2380
5311.27, and 5721.35 and sections 5311.01, 5311.15, and 5311.241	2381
of the Revised Code are hereby repealed.	2382