

## **NEW JERSEY**

### **CHAPTER 117 - CONDOMINIUMS**

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#### **NRS 117.010 Definitions.** As used in this chapter:

1. "Common areas" means the entire project excepting all units therein granted or reserved.
2. "Condominium" means an estate in real property consisting of an undivided interest in common in portions of a parcel of real property together with:
  - (a) A separate interest in space in a residential, industrial or commercial building or industrial and commercial building on such real property, such as, but not restricted to, an apartment, office or store; or
  - (b) A separate interest in air space only, without any building or structure, to be used for a mobile home.Ê A condominium may include in addition a separate interest in other portions of such real property. Such estate may, with respect to the duration of its enjoyment, be either an estate of inheritance or perpetual estate, an estate for life, or an estate for years.
3. "Project" means the entire parcel of real property divided or to be divided into condominiums, including all structures thereon.
4. "To divide" real property means to divide the ownership thereof by conveying one or more condominiums therein but less than the whole thereof.
5. "Unit" means the elements of a condominium which are not owned in common with the owners of other condominiums in the project.  
(Added to NRS by 1963, 126; A 1967, 200; 1981, 990)

#### **NRS 117.020 Applicability; recordation, amendment and revocation of plan of project.**

1. The provisions of this chapter apply to property divided into condominiums only if there was recorded before January 1, 1992, in the county in which the property lies a plan consisting of:
  - (a) A description or survey map of the surface of the land included within the project;
  - (b) Diagrammatic floor plans of the building or buildings built or to be built thereon in sufficient detail to identify each unit, its relative location and approximate dimensions; and
  - (c) A certificate consenting to the recordation of the plan pursuant to this chapter signed and acknowledged by the record owner of the property and by all record holders of security interests therein.
2. The plan may be amended or revoked by a subsequently acknowledged recorded instrument executed by the record owner of the property and by all record holders of security interests therein. Until recordation of a revocation, the provisions of this chapter continue to apply to the property.
3. The term "record owner" as used in this section includes all of the record owners of the property at the time of recordation, but does not include holders of security interests, mineral interests, easements or rights-of-way.  
(Added to NRS by 1963, 126; A 1991, 580)

**NRS 117.030 Conveyance of unit: Presumption of conveyance of entire condominium.** Unless otherwise expressly stated therein, any transfer or conveyance of a unit, or an apartment, office or store which is a part of a unit shall be presumed to convey the entire condominium.  
(Added to NRS by 1963, 127)

**NRS 117.040 Incidents of grant.** Unless otherwise expressly provided in the deeds, declaration of restrictions or plan, the incidents of a condominium grant are as follows:

1. The boundaries of the unit granted are the interior surfaces of the perimeter walls, floors, ceilings, windows and doors thereof, and the unit includes both the portions of the buildings so described and the airspace so encompassed. The following are not part of the unit: Bearing walls, columns, floors, roofs, foundations, elevator equipment and shafts, central heating, central refrigeration and central air-conditioning equipment, reservoirs, tanks, pumps and other central services, pipes, ducts, flues, chutes, conduits, wires and other utility installations, wherever located, except the outlets thereof when located within the unit. In interpreting deeds and plans the existing physical boundaries of the unit or of a unit reconstructed in substantial accordance with the original plans thereof shall be conclusively presumed to be its boundaries rather than the metes and bounds expressed in the deed or plan, regardless of settling or lateral movement of the building and regardless of minor variances between boundaries shown on the plan or in the deed and those of the building.
2. The common areas are owned by the owners of the unit as tenants in common in equal shares, one for each unit.
3. A nonexclusive easement for ingress, egress and support through the common areas is appurtenant to each unit and the common areas are subject to such easements.
4. Each condominium owner shall have the exclusive right to paint, repaint, tile, wax, paper or otherwise refinish and decorate the inner surfaces of the walls, ceilings, floors, windows and doors bounding his own unit.  
(Added to NRS by 1963, 127)

**NRS 117.050 Partition of project.**

1. Where several persons own condominiums in a condominium project, an action may be brought pursuant to [NRS 39.010](#) to [39.490](#), inclusive, by one or more of such persons for partition thereof by sale of the entire project, as if the owners of all the condominiums in such project were tenants in common in the entire project in the same proportion as their interests in the common areas, but a partition shall be made only upon the showing that:

(a) Three years after damage or destruction to the project which renders a material part thereof unfit for its use prior thereto, the project has not been rebuilt or repaired substantially to its state prior to its damage or destruction; or

(b) Three-fourths or more of the project has been destroyed or substantially damaged, and that condominium owners holding in aggregate more than 50 percent interest in the common areas are opposed to repair or restoration of the project; or

(c) The project has been in existence in excess of 50 years, that it is obsolete and uneconomic, and that condominium owners holding in aggregate more than 50 percent interest in the common areas are opposed to repair or restoration of the project; or

(d) Conditions for such a partition by sale set forth in restrictions entered into with respect to such project have been met.

2. Except as provided in subsection 1, the common areas shall remain undivided, and there shall be no judicial partition thereof. Nothing herein shall be deemed to prevent partition of a cotenancy in a condominium.

(Added to NRS by 1963, 127)

**NRS 117.060 Declaration of restrictions.** The owner of a project may, prior to the conveyance of any condominium therein, record a declaration of restrictions relating to such project, which restrictions shall be enforceable equitable servitudes where reasonable. Such servitudes, unless otherwise provided, may be enforced, by any owner of a condominium in the project, and may provide, among other things:

1. For the management of the project by one or more of the following management bodies:

(a) The condominium owners;

(b) A board of governors elected by the owners; or

(c) A management agent elected by the owners or the board or named in the declaration.

2. For voting majorities, quorums, notices, meeting dates and other rules governing such body or bodies.

3. As to any such management body:

(a) For the powers thereof, including power to enforce the provisions of the declaration of restrictions;

(b) For maintenance by it of fire, casualty, liability, workmen's compensation and other insurance insuring condominium owners, and for bonding of the members of any management body;

(c) For provision by it of and payment by it for maintenance, utility, gardening and other services benefiting the common areas, for employment of personnel necessary for operation of the building, and legal and accounting services;

(d) For purchase by it of materials, supplies and the like and for maintenance and repair of the common areas;

(e) For payment by it of taxes which would be a lien upon the entire project or common areas, and for discharge by it of any lien or encumbrance levied against the entire project or common areas;

- (f) For payment by it for reconstruction of any portion or portions of the project damaged or destroyed;
  - (g) For delegation by it of its powers;
  - (h) For entry by it or its agents into any unit when necessary in connection with maintenance or construction for which such body is responsible; and
  - (i) For the power of the management body to sell the entire project for the benefit of all of the owners thereof when partition of the project may be had under [NRS 117.050](#), which power shall be binding upon all of the owners, whether they assume the obligations of the restrictions or not.
4. For amendments of such restrictions, which amendments, if reasonable and made upon vote or consent of a majority in interest of the owners in the project given after reasonable notice, shall be binding upon every owner and every condominium subject thereto, whether the burdens thereon are increased or decreased thereby, and whether the owner of each and every condominium consents thereto or not.
5. For independent audit of the accounts of any management body.
6. For reasonable assessments to meet authorized expenditures of any management body, and for a reasonable method for notice and levy thereof, each condominium to be assessed separately for its share of such expense in proportion (unless otherwise provided) to its owner's fractional interest in any common areas, and for the subordination of the liens securing such assessments to other liens either generally or specifically described.
7. For the conditions upon which partition may be had of the project pursuant to [NRS 117.050](#). Such right to partition may be conditioned upon failure of the condominium owners to elect to rebuild within a certain period, specified inadequacy of insurance proceeds, specified damage to the building, a decision of an arbitrator, or upon any other reasonable condition.
8. For restrictions upon the severability of the component interests in real property which comprise a condominium. No such restrictions shall extend beyond the period in which the right to partition a project is suspended under [NRS 117.050](#).
- (Added to NRS by 1963, 128)

**NRS 117.065 Maintenance fees: Custodial accounts; records.** Any person who receives fees from a purchaser of a condominium for the maintenance of the project shall:

- 1. Immediately deposit the money in a separate custodial account maintained by him with some bank, credit union or recognized depository in this State.
  - 2. Keep records of all such money deposited therein.
- (Added to NRS by 1965, 1219; A [1999, 1457](#))

**NRS 117.070 Assessment liens: Recording of notice of assessment; priority and expiration of lien; enforcement by sale.**

1. A reasonable assessment upon any condominium made in accordance with a recorded declaration of restrictions permitted by [NRS 117.060](#) shall be a debt of the owner thereof at the time the assessment is made. The amount of any such assessment plus any other charges thereon, such as interest, costs (including attorneys' fees), and penalties, as such may be provided for in the declaration of restrictions, shall be and become a lien upon the condominium assessed when the management body causes to be recorded with the county recorder of the county in which such condominium is located a notice of assessment, which shall state:

- (a) The amount of such assessment and such other charges thereon as may be authorized by the declaration of restrictions;
- (b) A description of the condominium against which the same has been assessed; and
- (c) The name of the record owner thereof.

È Such notice shall be signed by an authorized representative of the management body or as otherwise provided in the declaration of restrictions. Upon payment of the assessment and charges in connection with which such notice has been so recorded, or other satisfaction thereof, the management body shall cause to be recorded a further notice stating the satisfaction and the release of the lien thereof.

2. Such lien shall be prior to all other liens recorded subsequent to the recordation of the notice of assessment except that the declaration of restrictions may provide for the subordination thereof to any other liens and encumbrances. Unless sooner satisfied and released or the enforcement thereof initiated as provided in subsection 3, such lien shall expire and be of no further force or effect 1 year from the date of recordation of the notice of assessment, but the 1-year period may be extended by the management body for not to exceed 1 additional year by recording a written extension thereof.

3. Such lien may be enforced by sale by the management body, its agent or attorney, after failure of the owner to pay such an assessment in accordance with the terms of the declaration of restrictions. The sale shall be conducted in accordance with the provisions of Covenants Nos. 6, 7 and 8 of [NRS 107.030](#), and [NRS 107.090](#) insofar as they are consistent with the provisions of [NRS 117.075](#), or in any other manner permitted by law. Unless otherwise provided in the declaration of restrictions, the management body, if it is a corporation,

cooperative association, partnership or natural person, shall have power to bid in the condominium at foreclosure sale and to hold, lease, mortgage and convey the same.

(Added to NRS by 1963, 129; A 1975, 978)

**NRS 117.075 Assessment liens: Exercise of power of sale.**

1. The power of sale conferred in [NRS 117.070](#) shall not be exercised until:

(a) The management body, its agent or attorney has first executed and caused to be recorded with the recorder of the county wherein the condominium is located a notice of default and election to sell the condominium or cause its sale to satisfy the assessment lien; and

(b) The condominium owner or his successor in interest has failed to pay the amount of the lien, including costs, fees and expenses incident to its enforcement for a period of 60 days computed as prescribed in subsection 2.

2. The 60-day period provided in subsection 1 shall commence on the first day following the day upon which the notice of default and election to sell is recorded as herein provided and a copy of the notice is mailed by certified or registered mail with postage prepaid to the condominium owner or to his successor in interest at his address if such address is known, otherwise to the address of the condominium unit. The notice shall describe the deficiency in payment.

3. The management body, its agent or attorney shall, after expiration of the 60-day period and prior to selling the condominium, give notice of the time and place of the sale in the manner and for a time not less than that required by law for the sale of real property upon execution, except that a copy of the notice of sale shall be mailed on or before the first publication or posting required by [NRS 21.130](#) by certified or registered mail with postage prepaid to the condominium owner or to his successor in interest at his address if such address is known, otherwise to the address of the condominium unit. The sale itself may be made at the office of the management body if the notice so provided, whether the condominium is located within the same county as the office of the management body or not.

4. Every sale made under the provisions of [NRS 117.070](#) vests in the purchaser the title of the condominium owner without equity or right of redemption.

(Added to NRS by 1975, 977)

**NRS 117.080 Other liens.** No labor performed or services or materials furnished with the consent of or at the request of a condominium owner or his agent or his contractor or subcontractor shall be the basis for the filing of a lien against the condominium of any other condominium owner, or against any part thereof, or against any other property of any other condominium owner, unless such other owner has expressly consented to or requested the performance of such labor or furnishing of such materials or services. Such express consent shall be deemed to have been given by the owner of any condominium in the case of emergency repairs thereto. Labor performed or services or materials furnished for the common areas, if duly authorized by a management body provided for in a declaration of restrictions governing the property, shall be deemed to be performed or furnished with the express consent of each condominium owner. The owner of any condominium may remove his condominium from a lien against two or more condominiums or any part thereof by payment to the holder of the lien of the fraction of the total sum secured by such lien which is attributable to his condominium.

(Added to NRS by 1963, 130)

**NRS 117.090 Common personalty.** Unless otherwise provided by a declaration of restrictions under [NRS 117.060](#), the management body, if any, provided for therein, may acquire and hold, for the benefit of the condominium owners, tangible and intangible personal property and may dispose of the same by sale or otherwise; and the beneficial interest in such personal property shall be owned by the condominium owners in the same proportion as their respective interests in the common areas, and shall not be transferable except with a transfer of a condominium. A transfer of a condominium shall transfer to the transferee ownership of the transferor's beneficial interest in such personal property.

(Added to NRS by 1963, 130)

**NRS 117.100 Liberal construction of deed, declaration or plan for project.** Any deed, declaration or plan for a condominium project shall be liberally construed to facilitate the operation of the project, and its provisions shall be presumed to be independent and severable.

(Added to NRS by 1963, 131)

**NRS 117.103 Rules against perpetuities and unreasonable restraints on alienation.** [NRS 111.1031](#) and the common-law rules of property known as the rule against perpetuities and the rule restricting unreasonable restraints on alienation must not be applied to defeat any of the provisions of this chapter.

(Added to NRS by 1967, 200; A 1987, 65)

**NRS 117.105 Interest of unit owner conveyed by tax deed.** If any person acquires or is entitled to the issuance of a tax deed conveying the interest of any condominium owner, such interest so acquired shall be subject to all the provisions of this chapter and to all terms, provisions, covenants, conditions and limitations contained in the declaration of restrictions, any plat, any bylaws or any deed affecting such interest then in force.  
(Added to NRS by 1967, 200)

**NRS 117.110 Construction of local zoning ordinances.** Unless a contrary intent is clearly expressed, local zoning ordinances shall be construed to treat like structures, lots or parcels in like manner regardless of whether the ownership thereof is divided by sale of condominiums or into community apartments rather than by lease of apartments, offices or stores.  
(Added to NRS by 1963, 131)