

**Representative J. Stuart Adams** proposes the following substitute bill:

**CONDOMINIUM LAW AMENDMENTS**

2003 GENERAL SESSION

STATE OF UTAH

**Sponsor: Michael G. Waddoups**

**This act modifies the Real Estate Code. The act adds definitions. The act entitles the association of unit owners to recover all expenses incurred by the association in collecting unpaid assessments, attorneys' fees, and other fees associated with collection. The act provides that upon failure to pay an assessment, the association may terminate an owner's utility services and access and use of recreational facilities until payment is received unless an owner has requested an informal hearing to dispute the assessment. The act provides the association the opportunity to collect all future lease payments from a tenant who fails to pay any assessment for a period of more than 30 days. The act adds provisions for setting up an account for assessment funds paid to the association. The act indicates that funds received are to be disbursed to the association until the assessment is paid in full, after which any remaining funds will be paid to the unit owner. The act provides an arbitration provision. The act makes technical changes.**

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

**57-8-3**, as last amended by Chapter 116, Laws of Utah 1994

**57-8-7**, as last amended by Chapters 99 and 132, Laws of Utah 2000

**57-8-10**, as last amended by Chapter 132, Laws of Utah 2000

**57-8-13**, as last amended by Chapter 173, Laws of Utah 1975

**57-8-13.2**, as last amended by Chapter 39, Laws of Utah 1996

**57-8-13.6**, as enacted by Chapter 173, Laws of Utah 1975

**57-8-13.10**, as last amended by Chapter 12, Laws of Utah 1992



- 26           **57-8-14**, as enacted by Chapter 111, Laws of Utah 1963
- 27           **57-8-20**, as last amended by Chapter 3, Laws of Utah 1986
- 28           **57-8-21**, as enacted by Chapter 111, Laws of Utah 1963
- 29           **57-8-27**, as last amended by Chapter 84, Laws of Utah 1999
- 30           **57-8-35**, as last amended by Chapter 142, Laws of Utah 1997
- 31           **57-8-36**, as enacted by Chapter 173, Laws of Utah 1975

32 ENACTS:

33           **57-8-38**, Utah Code Annotated 1953

34 *Be it enacted by the Legislature of the state of Utah:*

35           Section 1. Section **57-8-3** is amended to read:

36           **57-8-3. Definitions.**

37           As used in this chapter:

38           (1) "Assessment" means any charge imposed or levied by the association, including,  
39 common expenses and fines imposed pursuant to Section 57-8-37, on or against a unit owner  
40 pursuant to the provisions of the declaration, bylaws, or this chapter.

41           ~~(1)~~ (2) "Association of unit owners" means all of the unit owners acting as a group in  
42 accordance with the declaration and bylaws.

43           ~~(2)~~ (3) "Building" means a building, containing units, and comprising a part of the  
44 property.

45           ~~(3)~~ (4) "Common areas and facilities" unless otherwise provided in the declaration or  
46 lawful amendments to the declaration means:

47           (a) the land included within the condominium project, whether leasehold or in fee  
48 simple;

49           (b) the foundations, columns, girders, beams, supports, main walls, roofs, halls,  
50 corridors, lobbies, stairs, stairways, fire escapes, entrances, and exits of the building;

51           (c) the basements, yards, gardens, parking areas, and storage spaces;

52           (d) the premises for lodging of janitors or persons in charge of the property;

53           (e) installations of central services such as power, light, gas, hot and cold water,  
54 heating, refrigeration, air conditioning, and incinerating;

55           (f) the elevators, tanks, pumps, motors, fans, compressors, ducts, and in general all  
56 apparatus and installations existing for common use;

57 (g) such community and commercial facilities as may be provided for in the  
58 declaration; and

59 (h) all other parts of the property necessary or convenient to its existence, maintenance,  
60 and safety, or normally in common use.

61 [~~(4)~~] (5) "Common expenses" means:

62 (a) all sums lawfully assessed against the unit owners;

63 (b) expenses of administration, maintenance, repair, or replacement of the common  
64 areas and facilities;

65 (c) expenses agreed upon as common expenses by the association of unit owners; and

66 (d) expenses declared common expenses by this chapter, or by the declaration or the  
67 bylaws.

68 [~~(5)~~] (6) "Common profits," unless otherwise provided in the declaration or lawful  
69 amendments to the declaration, means the balance of all income, rents, profits, and revenues  
70 from the common areas and facilities remaining after the deduction of the common expenses.

71 [~~(6)~~] (7) "Condominium" means the ownership of a single unit in a multiunit project  
72 together with an undivided interest in common in the common areas and facilities of the  
73 property.

74 (8) "Condominium plat" means a plat or plats of survey of land and units prepared in  
75 accordance with Section 57-8-13.

76 [~~(7)~~] (9) "Condominium project" means a real estate condominium project; a plan or  
77 project whereby two or more units, whether contained in existing or proposed apartments,  
78 commercial or industrial buildings or structures, or otherwise, are separately offered or  
79 proposed to be offered for sale. Condominium project also means the property when the  
80 context so requires.

81 [~~(8)~~] (10) "Condominium unit" means a unit together with the undivided interest in the  
82 common areas and facilities appertaining to that unit. Any reference in this chapter to a  
83 condominium unit includes both a physical unit together with its appurtenant undivided interest  
84 in the common areas and facilities and a time period unit together with its appurtenant  
85 undivided interest, unless the reference is specifically limited to a time period unit.

86 [~~(9)~~] (11) "Contractible condominium" means a condominium project from which one  
87 or more portions of the land within the project may be withdrawn in accordance with

88 provisions of the declaration and of this chapter. If the withdrawal can occur only by the  
89 expiration or termination of one or more leases, then the condominium project is not a  
90 contractible condominium within the meaning of this chapter.

91 ~~[(10)]~~ (12) "Convertible land" means a building site which is a portion of the common  
92 areas and facilities, described by metes and bounds, within which additional units or limited  
93 common areas and facilities may be created in accordance with this chapter.

94 ~~[(11)]~~ (13) "Convertible space" means a portion of the structure within the  
95 condominium project, which portion may be converted into one or more units or common areas  
96 and facilities, including~~[-but not limited to,]~~ limited common areas and facilities in accordance  
97 with this chapter.

98 ~~[(12)]~~ (14) "Declarant" means all persons who execute the declaration or on whose  
99 behalf the declaration is executed. From the time of the recordation of any amendment to the  
100 declaration expanding an expandable condominium, all persons who execute that amendment  
101 or on whose behalf that amendment is executed shall also come within this definition. Any  
102 successors of the persons referred to in this subsection who come to stand in the same relation  
103 to the condominium project as their predecessors also come within this definition.

104 ~~[(13)]~~ (15) "Declaration" means the instrument by which the property is submitted to  
105 the provisions of this act, as it from time to time may be lawfully amended.

106 ~~[(14)]~~ (16) "Expandable condominium" means a condominium project to which  
107 additional land or an interest in it may be added in accordance with the declaration and this  
108 chapter.

109 ~~[(15)]~~ (17) "Leasehold condominium" means a condominium project in all or any  
110 portion of which each unit owner owns an estate for years in his unit, or in the land upon which  
111 that unit is situated, or both, with all those leasehold interests to expire naturally at the same  
112 time. A condominium project including leased land, or an interest in the land, upon which no  
113 units are situated or to be situated is not a leasehold condominium within the meaning of this  
114 chapter.

115 ~~[(16)]~~ (18) "Limited common areas and facilities" means those common areas and  
116 facilities designated in the declaration as reserved for use of a certain unit or units to the  
117 exclusion of the other units.

118 ~~[(17)]~~ (19) "Majority" or "majority of the unit owners," unless otherwise provided in

119 the declaration or lawful amendments to the declaration, means the owners of more than 50%  
120 in the aggregate in interest of the undivided ownership of the common areas and facilities.

121 ~~[(18)]~~ (20) "Management committee" means the committee as provided in the  
122 declaration charged with and having the responsibility and authority to make and to enforce all  
123 of the reasonable rules covering the operation and maintenance of the property.

124 ~~[(19)]~~ (21) "Par value" means a number of dollars or points assigned to each unit by the  
125 declaration. Substantially identical units shall be assigned the same par value, but units located  
126 at substantially different heights above the ground, or having substantially different views, or  
127 having substantially different amenities or other characteristics that might result in differences  
128 in market value, may~~[-, but need not,]~~ be considered substantially identical within the meaning  
129 of this subsection. If par value is stated in terms of dollars, that statement may not be  
130 considered to reflect or control the sales price or fair market value of any unit, and no opinion,  
131 appraisal, or fair market transaction at a different figure may affect the par value of any unit, or  
132 any undivided interest in the common areas and facilities, voting rights in the unit owners'  
133 association, liability for common expenses, or right to common profits, assigned on the basis  
134 thereof.

135 ~~[(20)]~~ (22) "Person" means an individual, corporation, partnership, association, trustee,  
136 or other legal entity.

137 ~~[(21)]~~ (23) "Property" means the land, whether leasehold or in fee simple, the building,  
138 if any, all improvements and structures thereon, all easements, rights, and appurtenances  
139 belonging thereto, and all articles of personal property intended for use in connection  
140 therewith.

141 ~~[(22)]~~ (24) "Record," "recording," "recorded," and "recorder" have the meaning stated  
142 in Title 57, Chapter 3, Recording of Documents.

143 ~~[(23)] "Record of survey map" means a plat or plats of survey of land and units prepared~~  
144 ~~in accordance with Section 57-8-13.~~

145 ~~[(24)]~~ (25) "Size" means the number of cubic feet, or the number of square feet of  
146 ground or floor space, within each unit as computed by reference to the record of survey map  
147 and rounded off to a whole number. Certain spaces within the units including~~[-, without~~  
148 ~~limitation,]~~ attic, basement, or garage space may~~[-, but need not,]~~ be omitted from the  
149 calculation or be partially discounted by the use of a ratio, if the same basis of calculation is

150 employed for all units in the condominium project and if that basis is described in the  
151 declaration.

152 [~~(25)~~] (26) "Time period unit" means an annually recurring part or parts of a year  
153 specified in the declaration as a period for which a [physical] unit is separately owned and  
154 includes a timeshare estate as defined in Subsection 57-19-2(17).

155 [~~(26)~~] (27) "Unit" means either a separate physical part of the property intended for any  
156 type of independent use, including one or more rooms or spaces located in one or more floors  
157 or part or parts of floors in a building or a time period unit, as the context may require. A  
158 convertible space shall be treated as a unit in accordance with Subsection 57-8-13.4(3). A  
159 proposed condominium unit under an expandable condominium project, not constructed, is a  
160 unit two years after the date the recording requirements of Section 57-8-13.6 are met.

161 [~~(27)~~] (28) "Unit number" means the number, letter, or combination of numbers and  
162 letters designating the unit in the declaration and in the record of survey map.

163 [~~(28)~~] (29) "Unit owner" means the person or persons owning a unit in fee simple and  
164 an undivided interest in the fee simple estate of the common areas and facilities in the  
165 percentage specified and established in the declaration or, in the case of a leasehold  
166 condominium project, the person or persons whose leasehold interest or interests in the  
167 condominium unit extend for the entire balance of the unexpired term or terms.

168 Section 2. Section **57-8-7** is amended to read:

169 **57-8-7. Common areas and facilities.**

170 (1) As used in this section:

171 (a) "emergency repairs" means any repairs which if not made in a timely manner will  
172 likely result in immediate and substantial damage to the common areas and facilities or to  
173 another unit or units; and

174 (b) "reasonable notice" means written notice which is hand delivered to the unit at least  
175 24 hours prior to the proposed entry.

176 (2) Each unit owner shall be entitled to an undivided interest in the common areas and  
177 facilities in the percentages or fractions expressed in the declaration. The declaration may  
178 allocate to each unit an undivided interest in the common areas and facilities proportionate to  
179 either the size or par value of the unit. Otherwise, the declaration shall allocate to each unit an  
180 equal undivided interest in the common areas and facilities, subject to the following exception:

181 each convertible space depicted on the [~~record of survey map~~] condominium plat shall be  
182 allocated an undivided interest in the common areas and facilities proportionate to the size of  
183 the space vis-a-vis the aggregate size of all units so depicted, while the remaining undivided  
184 interest in the common areas and facilities shall be allocated equally among the other units so  
185 depicted. The undivided interest in the common areas and facilities allocated in accordance  
186 with this Subsection (2) shall add up to one if stated as fractions or to 100% if stated as  
187 percentages. If an equal undivided interest in the common areas and facilities is allocated to  
188 each unit, the declaration may simply state that fact and need not express the fraction or  
189 percentage so allocated. Otherwise, the undivided interest allocated to each unit shall be  
190 reflected by a table in the declaration, or by an exhibit or schedule accompanying the  
191 declaration and recorded simultaneously with it, containing columns. The first column shall  
192 identify the units, listing them serially or grouping them together in the case of units to which  
193 identical undivided interests are allocated. Corresponding figures in the second and third  
194 columns shall set forth the respective sizes or par values of those units and the fraction or  
195 percentage of undivided interest in the common areas and facilities allocated thereto.

196 (3) Except as otherwise expressly provided by this act, the undivided interest of each  
197 unit owner in the common areas and facilities as expressed in the declaration shall have a  
198 permanent character and shall not be altered without the consent of two-thirds of the unit  
199 owners expressed in an amended declaration duly recorded. The undivided interest in the  
200 common areas and facilities shall not be separated from the unit to which it appertains and shall  
201 be considered to be conveyed or encumbered or released from liens with the unit even though  
202 such interest is not expressly mentioned or described in the conveyance or other instrument. A  
203 time period unit may not be further divided into shorter time periods by a conveyance or  
204 disclaimer.

205 (4) The common areas and facilities shall remain undivided and no unit owner or any  
206 other person shall bring any action for partition or division of any part thereof, unless the  
207 property has been removed from the provisions of this act as provided in Sections 57-8-22 and  
208 57-8-31. Any covenants to the contrary shall be null and void.

209 (5) Each unit owner may use the common areas and facilities in accordance with the  
210 purpose for which they were intended without hindering or encroaching upon the lawful rights  
211 of the other unit owners.

212 (6) The necessary work of maintenance, repair, and replacement of the common areas  
213 and facilities and the making of any additions or improvements thereon shall be carried out  
214 only as provided in this act or in the declaration or bylaws.

215 (7) The manager or management committee shall have the right to have access to each  
216 unit:

217 (a) from time to time during reasonable hours and after reasonable notice to the  
218 occupant of the unit being entered, as may be necessary for the maintenance, repair, or  
219 replacement of any of the common areas and facilities; or

220 (b) for making emergency repairs necessary to prevent damage to the common areas  
221 and facilities or to another unit or units, provided that a reasonable effort is made to provide  
222 notice to the occupant of the unit prior to entry.

223 Section 3. Section **57-8-10** is amended to read:

224 **57-8-10. Contents of declaration.**

225 (1) Prior to the conveyance of any unit in a condominium project, a declaration shall be  
226 recorded that contains the covenants, conditions, and restrictions relating to the project that  
227 shall be enforceable equitable servitudes, where reasonable, and which shall run with the land.  
228 Unless otherwise provided, these servitudes may be enforced by any unit owner and his  
229 successors in interest.

230 (2) (a) For every condominium project:

231 (i) The declaration shall include a description of the land or interests in real property  
232 included within the project.

233 (ii) The declaration shall contain a description of any buildings, which states the  
234 number of storeys and basements, the number of units, the principal materials of which the  
235 building is or is to be constructed, and a description of all other significant improvements  
236 contained or to be contained in the project.

237 (iii) The declaration shall contain the unit number of each unit, the square footage of  
238 each unit, and any other description or information necessary to properly identify each unit.

239 (iv) The declaration shall describe the common areas and facilities of the project.

240 (v) The declaration shall describe any limited common areas and facilities and shall  
241 state to which units the use of the common areas and facilities is reserved.

242 (b) Any shutters, awnings, window boxes, doorsteps, porches, balconies, patios, or



243 other apparatus intended to serve a single unit, but located outside the boundaries of the unit,  
244 shall constitute a limited common area and facility appertaining to that unit exclusively,  
245 whether or not the declaration makes such a provision.

246 (c) The [~~record of survey map~~] condominium plat recorded with the declaration may  
247 provide or supplement the information required under Subsections (2)(a) and (b).

248 (d) (i) The declaration shall include the percentage or fraction of undivided interest in  
249 the common areas and facilities appurtenant to each unit and its owner for all purposes,  
250 including voting, derived and allocated in accordance with Subsection 57-8-7(2).

251 (ii) If any use restrictions are to apply, the declaration shall state the purposes for which  
252 the units are intended and restricted as to use.

253 (iii) (A) The declaration shall include the name of a person to receive service of  
254 process on behalf of the project, in the cases provided by this chapter, together with the  
255 residence or place of business of that person.

256 (B) The person described in Subsection (2)(d)(iii)(A) shall be a resident of, or shall  
257 maintain a place of business within, this state.

258 (iv) The declaration shall describe the method by which it may be amended consistent  
259 with this chapter.

260 (v) Any further matters in connection with the property may be included in the  
261 declaration, which the person or persons executing the declaration may consider desirable  
262 consistent with this chapter.

263 (vi) The declaration shall contain a statement of intention that this chapter applies to  
264 the property.

265 (3) (a) If the condominium project contains any convertible land:

266 (i) The declaration shall contain a legal description by metes and bounds of each area  
267 of convertible land within the condominium project.

268 (ii) The declaration shall state the maximum number of units that may be created  
269 within each area of convertible land.

270 (iii) (A) The declaration shall state, with respect to each area of convertible land, the  
271 maximum percentage of the aggregate land and floor area of all units that may be created and  
272 the use of which will not or may not be restricted exclusively to residential purposes.

273 (B) The statements described in Subsection (3)(a)(iii)(A) need not be supplied if none

274 of the units on other portions of the land within the project are restricted exclusively to  
275 residential use.

276 (iv) The declaration shall state the extent to which any structure erected on any  
277 convertible land will be compatible with structures on other portions of the land within the  
278 condominium project in terms of quality of construction, the principal materials to be used, and  
279 architectural style.

280 (v) The declaration shall describe all other improvements that may be made on each  
281 area of convertible land within the condominium project.

282 (vi) The declaration shall state that any units created within each area of convertible  
283 land will be substantially identical to the units on other portions of the land within the project  
284 or it shall describe in detail what other type of units may be created.

285 (vii) The declaration shall describe the declarant's reserved right, if any, to create  
286 limited common areas and facilities within any convertible land in terms of the types, sizes, and  
287 maximum number of the limited common areas within each convertible land.

288 (b) The [~~record of survey map~~] condominium plat recorded with the declaration may  
289 provide or supplement the information required under Subsection (3)(a).

290 (4) If the condominium is an expandable condominium project:

291 (a) (i) (A) The declaration shall contain an explicit reservation of an option to expand  
292 the project.

293 (B) The declaration shall include a statement of any limitations on the option to  
294 expand, including a statement as to whether the consent of any unit owners shall be required  
295 and, a statement as to the method by which consent shall be ascertained, or a statement that  
296 there are no such limitations.

297 (ii) The declaration shall include a time limit, not exceeding seven years from the date  
298 of the recording of the declaration, upon which the option to expand the condominium project  
299 shall expire, together with a statement of any circumstances which will terminate the option  
300 prior to expiration of the specified time limits.

301 (iii) The declaration shall contain a legal description by metes and bounds of all land  
302 that may be added to the condominium project, which is known as additional land.

303 (iv) The declaration shall state:

304 (A) if any of the additional land is added to the condominium project, whether all of it

305 or any particular portion of it must be added;

306 (B) any limitations as to what portions may be added; or

307 (C) a statement that there are no such limitations.

308 (v) The declaration shall include a statement as to whether portions of the additional  
309 land may be added to the condominium project at different times, together with any limitations  
310 fixing the boundaries of those portions by legal descriptions setting forth the metes and bounds  
311 of these lands and regulating the order in which they may be added to the condominium  
312 project.

313 (vi) The declaration shall include a statement of any limitations as to the locations of  
314 any improvements that may be made on any portions of the additional land added to the  
315 condominium project, or a statement that no assurances are made in that regard.

316 (vii) The declaration shall state the maximum number of units that may be created on  
317 the additional land. If portions of the additional land may be added to the condominium project  
318 and the boundaries of those portions are fixed in accordance with Subsection (4)(a)(v), the  
319 declaration shall also state the maximum number of units that may be created on each portion  
320 added to the condominium project. If portions of the additional land may be added to the  
321 condominium project and the boundaries of those portions are not fixed in accordance with  
322 Subsection (4)(a)(v), then the declaration shall also state the maximum number of units per  
323 acre that may be created on any portion added to the condominium project.

324 (viii) With respect to the additional land and to any portion of it that may be added to  
325 the condominium project, the declaration shall state the maximum percentage of the aggregate  
326 land and floor area of all units that may be created on it, the use of which will not or may not  
327 be restricted exclusively to residential purposes. However, these statements need not be  
328 supplied if none of the units on the land originally within the project are restricted exclusively  
329 to residential use.

330 (ix) The declaration shall state the extent to which any structures erected on any  
331 portion of the additional land added to the condominium project will be compatible with  
332 structures on the land originally within the project in terms of quality of construction, the  
333 principal materials to be used, and architectural style. The declaration may also state that no  
334 assurances are made in those regards.

335 (x) The declaration shall describe all other improvements that will be made on any

336 portion of the additional land added to the condominium project, or it shall contain a statement  
337 of any limitations as to what other improvements may be made on it. The declaration may also  
338 state that no assurances are made in that regard.

339 (xi) The declaration shall contain a statement that any units created on any portion of  
340 the additional land added to the condominium project will be substantially identical to the units  
341 on the land originally within the project, or a statement of any limitations as to what types of  
342 units may be created on it. The declaration may also contain a statement that no assurances are  
343 made in that regard.

344 (xii) The declaration shall describe the declarant's reserved right, if any, to create  
345 limited common areas and facilities within any portion of the additional land added to the  
346 condominium project, in terms of the types, sizes, and maximum number of limited common  
347 areas within each portion. The declaration may also state that no assurances are made in those  
348 regards.

349 (b) The ~~[record of survey map]~~ condominium plat recorded with the declaration may  
350 provide or supplement the information required under Subsections (4)(a)(iii) through (a)(vi)  
351 and (a)(ix) through (a)(xii).

352 (5) If the condominium project is a contractible condominium:

353 (a) (i) The declaration shall contain an explicit reservation of an option to contract the  
354 condominium project.

355 (ii) The declaration shall contain a statement of any limitations on the option to  
356 contract, including a statement as to whether the consent of any unit owners shall be required,  
357 and if so, a statement as to the method by which this consent shall be ascertained. The  
358 declaration may also contain a statement that there are no such limitations.

359 (iii) The declaration shall state the time limit, not exceeding seven years from the  
360 recording of the declaration, upon which the option to contract the condominium project shall  
361 expire, together with a statement of any circumstances which will terminate this option prior to  
362 expiration of the specified time limit.

363 (b) (i) The declaration shall include a legal description by metes and bounds of all land  
364 that may be withdrawn from the condominium project, which is known as withdrawable land.

365 (ii) The declaration shall include a statement as to whether portions of the  
366 withdrawable land may be withdrawn from the condominium project at different times,

367 together with any limitations fixing the boundaries of those portions by legal descriptions  
368 setting forth the metes and bounds and regulating the order in which they may be withdrawn  
369 from the condominium project.

370 (iii) The declaration shall include a legal description by metes and bounds of all of the  
371 land within the condominium project to which the option to contract the project does not  
372 extend.

373 (c) The [~~record of survey map~~] condominium plat recorded with the declaration may  
374 provide or supplement the information required under Subsection (5)(b).

375 (6) (a) If the condominium project is a leasehold condominium, then with respect to  
376 any ground lease or other leases the expiration or termination of which will or may terminate or  
377 contract the condominium project:

378 (i) The declaration shall include recording information enabling the location of each  
379 lease in the official records of the county recorder.

380 (ii) The declaration shall include the date upon which each lease is due to expire.

381 (iii) The declaration shall state whether any land or improvements will be owned by the  
382 unit owners in fee simple. If there is to be fee simple ownership, the declaration shall include:

383 (A) a description of the land or improvements, including without limitation, a legal  
384 description by metes and bounds of the land; or

385 (B) a statement of any rights the unit owners have to remove these improvements  
386 within a reasonable time after the expiration or termination of the lease or leases involved, or a  
387 statement that they shall have no such rights.

388 (iv) The declaration shall include a statement of the rights the unit owners have to  
389 extend or renew any of the leases or to redeem or purchase any of the reversions, or a statement  
390 that they have no such rights.

391 (b) After the recording of the declaration, no lessor who executed the declaration, and  
392 no successor in interest to this lessor, has any right or power to terminate any part of the  
393 leasehold interest of any unit owner who:

394 (i) makes timely payment of his share of the rent to the persons designated in the  
395 declaration for the receipt of the rent; and

396 (ii) otherwise complies with all covenants which would entitle the lessor to terminate  
397 the lease if they were violated.

398 (7) (a) If the condominium project contains time period units, the declaration shall also  
399 contain the location of each condominium unit in the calendar year. This information shall be  
400 set out in a fourth column of the exhibit or schedule referred to in Subsection 57-8-7(2), if the  
401 exhibit or schedule accompanies the declaration.

402 (b) The declaration shall also put timeshare owners on notice that tax notices will be  
403 sent to the management committee, not each timeshare owner.

404 (c) The time period units created with respect to any given physical unit shall be such  
405 that the aggregate of the durations involved constitute a full calendar year.

406 (8) (a) The declaration, bylaws, and [~~record of survey map~~] condominium plat shall be  
407 duly executed and acknowledged by all of the owners and any lessees of the land which is  
408 made subject to this chapter.

409 (b) As used in Subsection (8)(a), "owners and lessees" does not include, in their  
410 respective capacities, any mortgagee, any trustee or beneficiary under a deed of trust, any other  
411 lien holder, any person having an equitable interest under any contract for the sale or lease of a  
412 condominium unit, or any lessee whose leasehold interest does not extend to any portion of the  
413 common areas and facilities.

414 Section 4. Section **57-8-13** is amended to read:

415 **57-8-13. Condominium plat to be recorded.**

416 (1) (a) Simultaneously with the recording of the declaration there shall be recorded a  
417 standard size, original linen (21" x 31") [~~record of survey map~~] condominium plat with 6-1/4"  
418 x 1-1/2" recording information block, which map shall be made by a registered Utah land  
419 surveyor and shall set forth:

420 [~~(a)~~] (i) a description of the surface of the land included within the project, including  
421 all angular and linear data along the exterior boundaries of the property;

422 [~~(b)~~] (ii) the linear measurement and location, with reference to the exterior  
423 boundaries, of the building or buildings, if any, located or to be located on the property other  
424 than within the boundaries of any convertible lands;

425 [~~(c)~~] (iii) diagrammatic floor plans of the building or buildings, if any, built or to be  
426 built on the property, other than within the boundaries of any convertible lands, in sufficient  
427 detail to identify each convertible space and physical unit contained within a building,  
428 including its identifying number or symbol, the official datum elevations of the finished or

429 unfinished interior surfaces of the floors and ceilings and the linear measurements of the  
430 finished or unfinished interior surfaces of the perimeter walls, and the lateral extensions, of  
431 every such convertible space and unit;

432 ~~[(d)]~~ (iv) a description or delineation of the boundaries of any unit or convertible space  
433 not contained or to be contained in a building or whose boundaries are not to be coextensive  
434 with walls, ceilings, or floors within a building, other than units located within the boundaries  
435 of any convertible lands, including the horizontal (upper and lower) boundaries, if any, as well  
436 as the vertical (lateral or perimetric) boundaries;

437 ~~[(e)]~~ (v) a distinguishing number or other symbol for every physical unit identified on  
438 the ~~[record of survey map]~~ condominium plat;

439 ~~[(f)]~~ (vi) to the extent feasible, the location and dimensions of all easements  
440 appurtenant to the land included within the project;

441 ~~[(g)]~~ (vii) the label "convertible space" for each such space, if any;

442 ~~[(h)]~~ (viii) the location and dimensions of any convertible lands within the  
443 condominium project, with each such convertible land labeled as such, and if there be more  
444 than one such land, with each labeled with a different letter or number;

445 ~~[(i)]~~ (ix) the location and dimensions of any withdrawable lands, with each such  
446 withdrawable land labelled as such, and if there be more than one such land, with each labelled  
447 with a different letter or number;

448 ~~[(j)]~~ (x) if with respect to any portion or portions, but less than all, of the land included  
449 within the project the unit owners are to own only an estate for years, the location and  
450 dimensions of any such portion, with each labelled as a leased land, and if there be more than  
451 one such land, with each labelled with a different letter or number; and

452 ~~[(k)]~~ (xi) any encroachments by or on any portion of the condominium project.

453 (b) Each such ~~[record of survey map]~~ condominium plat shall be certified as to its  
454 accuracy and compliance with the provisions of this Subsection (1) by the land surveyor who  
455 prepared or who supervised the preparation of the same and shall be executed and  
456 acknowledged as provided in Subsection 57-8-10(8).

457 (2) When converting all or any portion of any convertible land or when adding  
458 additional land to an expandable condominium, the declarant shall record a new or  
459 supplemental ~~[record of survey map]~~ condominium plat which shall contain the information

460 necessary to comply with the requirements of Subsection (1) of this section. In any case where  
461 less than all of a convertible land is being converted, the [~~record of survey map~~] condominium  
462 plat shall show the location and dimensions of the remaining portion or portions of the land in  
463 addition to otherwise meeting such requirements.

464 (3) When converting all or any portion of any convertible space into one or more units  
465 or limited common areas and facilities, the declarant shall record, with regard to the structure  
466 or portion of it constituting that convertible space, a supplemental [~~record of survey map~~]  
467 condominium plat showing the location and dimensions of the vertical and horizontal  
468 boundaries of each unit formed out of this space. The supplemental map shall be certified as to  
469 its accuracy and compliance with this Subsection (3) by the land surveyor who prepared or who  
470 supervised the preparation of it.

471 (4) In interpreting the [~~record of survey map~~] condominium plat or any deed or other  
472 instrument affecting a building or unit, the boundaries of the building or unit constructed or  
473 reconstructed in substantial accordance with the [~~record of survey map~~] condominium plat  
474 shall be conclusively presumed to be the actual boundaries rather than the description  
475 expressed in the [~~record of survey map~~] condominium plat, regardless of the settling or lateral  
476 movement of the building and regardless of minor variance between boundaries shown on the  
477 [~~record of survey map~~] condominium plat and those of the building or unit.

478 Section 5. Section **57-8-13.2** is amended to read:

479 **57-8-13.2. Conversion of convertible land -- Amendment to declaration --**

480 **Limitations.**

481 (1) The declarant may convert all or any portion of any convertible land into one or  
482 more units or limited common areas and facilities subject to any restrictions and limitations  
483 which the declaration may specify. Any such conversion shall be deemed to have occurred at  
484 the time of the recordation of the appropriate instruments under Subsection (2) of this section  
485 and Subsection 57-8-13(2).

486 (2) Simultaneously with the recording of the [~~record of survey map~~] condominium plat  
487 pursuant to Subsection 57-8-13(2), the declarant shall prepare, execute, and record an  
488 amendment to the declaration describing the conversion. The amendment shall assign an  
489 identifying number to each unit formed out of a convertible land and shall reallocate undivided  
490 interests in the common areas and facilities in accordance with Subsection 57-8-13.10(2). The



491 amendment shall describe or delineate the limited common areas and facilities formed out of  
492 the convertible land, showing or designating the unit or units to which each is assigned.

493 (3) All convertible lands shall be deemed part of the common areas and facilities  
494 except for such portions of them as are converted in accordance with this section. No such  
495 conversions shall occur after five years from the recordation of the declaration, or such shorter  
496 period of time as the declaration may specify, unless three-fourths of unit owners vote in favor  
497 of converting the land after the time period has expired.

498 Section 6. Section **57-8-13.6** is amended to read:

499 **57-8-13.6. Expansion of project.**

500 A condominium project may be expanded under the provisions of the declaration and of  
501 this act. Any such expansion shall be deemed to have occurred at the time of the recordation of  
502 the [~~record of survey map~~] condominium plat under Subsection 57-8-13(2), together with an  
503 amendment to the declaration, duly executed and acknowledged by the declarant, including,  
504 without limitation, all of the owners and lessees of the additional land added to the  
505 condominium project. The amendment shall contain a legal description by metes and bounds of  
506 the land added to the condominium project and shall reallocate undivided interests in the  
507 common areas and facilities in accordance with Subsection 57-8-13.10(2).

508 Section 7. Section **57-8-13.10** is amended to read:

509 **57-8-13.10. Condominiums containing convertible land -- Expandable**  
510 **condominiums -- Allocation of interests in common areas and facilities.**

511 (1) If a condominium project contains any convertible land or is an expandable  
512 condominium, then the declaration may not allocate undivided interests in the common areas  
513 and facilities on the basis of par value unless the declaration:

514 (a) prohibits the creation of any units not substantially identical to the units depicted on  
515 the [~~record of survey map~~] condominium plat recorded pursuant to Subsection 57-8-13 (1); or

516 (b) prohibits the creation of any units not described under Subsection 57-8-10 (3)  
517 (a)(vii) in the case of convertible land, Subsection 57-8-10 (4) (a)(xi) in the case of additional  
518 land, and contains from the outset a statement of the par value that shall be assigned to every  
519 unit that may be created.

520 (2) (a) Interests in the common areas and facilities may not be allocated to any units to  
521 be created within any convertible land or within any additional land until a [~~record of survey~~

522 ~~map]~~ condominium plat depicting the same is recorded pursuant to Subsection 57-8-13 (2).

523 (b) Simultaneously with the recording of the supplemental [~~record of survey map~~]  
524 condominium plat required under Subsection (a), the declarant shall execute and record an  
525 amendment to the declaration which reallocates undivided interests in the common areas and  
526 facilities so that the units depicted on the supplemental [~~record of survey map~~] condominium  
527 plat shall be allocated undivided interests in the common areas and facilities on the same basis  
528 as the units depicted on the [~~record of survey map~~] condominium plat that was recorded  
529 simultaneously with the declaration pursuant to Subsection 57-8-13 (1).

530 (3) If all of a convertible space is converted into common areas and facilities, including  
531 limited common areas and facilities, then the undivided interest in the common areas and  
532 facilities appertaining to the convertible space shall afterward appertain to the remaining units  
533 and shall be allocated among them in proportion to their undivided interests in the common  
534 areas and facilities. The principal officer of the unit owners' association or of the management  
535 committee, or any other officer specified in the declaration, shall immediately prepare, execute,  
536 and record an amendment to the declaration reflecting the reallocation of undivided interest  
537 produced by the conversion.

538 (4) (a) If the expiration or termination of any lease of a leasehold condominium causes  
539 a contraction of the condominium project which reduces the number of units, or if the  
540 withdrawal of withdrawable land of a contractible condominium causes a contraction of the  
541 condominium project which reduces the number of units, the undivided interest in the common  
542 areas and facilities appertaining to any units so withdrawn shall afterward appertain to the  
543 remaining units, being allocated among them in proportion to their undivided interests in the  
544 common areas and facilities.

545 (b) The principal officer of the unit owners' association or of the management  
546 committee, or any other officer specified in the declaration shall immediately prepare, execute,  
547 and record an amendment to the declaration, reflecting the reallocation of undivided interests  
548 produced by the reduction of units.

549 Section 8. Section **57-8-14** is amended to read:

550 **57-8-14. Legal description of units.**

551 Every deed, lease, mortgage or other instrument may legally describe a unit by its  
552 identifying number or symbol as designated in the declaration or as shown on the [~~record of~~

553 ~~survey map]~~ condominium plat, and every such description shall be deemed good and  
 554 sufficient for all purposes, and shall be deemed to convey, transfer, encumber or otherwise  
 555 affect the unit owner's corresponding percentage of ownership in the common areas and  
 556 facilities even though the same is not expressly mentioned or described.

557 Section 9. Section **57-8-20** is amended to read:

558 **57-8-20. Lien for nonpayment of common expenses.**

559 (1) Every unit owner shall pay his proportionate share of the common expenses.  
 560 Payment shall be in the amounts and at the times determined by the management committee in  
 561 accordance with the terms of the declaration or the bylaws.

562 (2) (a) ~~[The amount of common expenses assessed]~~ An assessment levied against each  
 563 unit is a debt of the owner at the time the assessment is made and is collectible as such.

564 (b) The association is entitled to recover all expenses incurred by the association in  
 565 collecting any unpaid assessment, including reasonable attorneys' fees, whether an action is  
 566 brought against an owner under Subsection (3), or whether a suit to foreclose the lien upon the  
 567 unit is instituted under Subsection (4).

568 (3) Suit to recover a money judgment for any unpaid ~~[common expenses]~~ assessment is  
 569 maintainable without foreclosing or waiving the lien securing it. The prevailing party in the  
 570 action is entitled to recover its costs of suit and reasonable attorneys' fees. ~~[If]~~

571 (4) (a) Subject to Subsection 57-8-37(6), if any unit owner fails or refuses to ~~[make any~~  
 572 ~~payment of the common expenses]~~ pay an assessment when due, that amount constitutes a lien  
 573 on the interest of the owner in the property, and upon the recording of notice of lien by the  
 574 manager or management committee it is a lien upon the unit owner's interest in the property  
 575 prior to all other liens and encumbrances, recorded or unrecorded, except:

576 ~~[(a)]~~ (i) tax and special assessment liens on the unit in favor of any assessing unit or  
 577 special improvement district; and

578 ~~[(b)]~~ (ii) encumbrances on the interest of the unit owner recorded prior to the date such  
 579 notice is recorded which by law would be a lien prior to subsequently recorded encumbrances.

580 ~~[(3) The manager or management committee shall, upon the written request of any unit~~  
 581 ~~owner or any encumbrancer or prospective encumbrancer of a unit, and upon payment of a~~  
 582 ~~reasonable fee not to exceed \$10, issue to the requesting person or persons, a written statement~~  
 583 ~~setting forth the unpaid common expenses with respect to the unit covered by the request. This~~

584 ~~written statement of indebtedness is conclusive upon the remaining unit owners and upon the~~  
585 ~~manager and management committee in favor of all persons who rely on the written statement~~  
586 ~~in good faith. Unless the manager or management committee complies with the request for a~~  
587 ~~statement of indebtedness within ten days, all unpaid common expenses which became due~~  
588 ~~prior to the date such request was made are subordinate to the lien held by the person~~  
589 ~~requesting the statement. Any encumbrancer holding a lien on a unit may pay any unpaid~~  
590 ~~common expenses payable with respect to the unit and upon payment the encumbrancer has a~~  
591 ~~lien on the unit for the amounts paid of the same rank as the lien of his encumbrance.]~~

592       [(4)] (b) The lien for nonpayment of [common expenses] an assessment may be  
593 enforced by sale or foreclosure of the unit owner's interest by the manager or management  
594 committee. The sale or foreclosure shall be conducted in the same manner as foreclosures in  
595 deeds of trust or mortgages or in any other manner permitted by law.

596       (c) In any foreclosure or sale, the unit owner shall pay the costs and expenses of such  
597 proceedings and reasonable attorneys' fees. If so provided in the declaration or bylaws, in the  
598 case of foreclosure, the owner shall pay a reasonable rental for the unit, and the plaintiff in the  
599 foreclosure action may require the appointment of a receiver to collect the rental without regard  
600 to the value of the mortgage security.

601       [(5)] (d) Unless otherwise provided in the declaration, the manager or management  
602 committee may bid in the unit at foreclosure or other sale and hold, lease, mortgage, or convey  
603 the unit.

604       (5) (a) When authorized in the declaration, bylaws, or rules adopted by resolution of  
605 the management committee or association, if the owner fails or refuses to pay any assessment  
606 when due, the management committee may, after giving notice and an opportunity to be heard  
607 in accordance with Subsection (5)(b), and in the case of a fine, the expiration of the time for  
608 appeal under Subsection 57-8-37(5):

609       (i) terminate an owner's right to receive utility services paid as a common expense; and

610       (ii) terminate an owner's right of access and use of recreational facilities.

611       (b) Before terminating utility services or right of access and use of recreational  
612 facilities under Subsection (5)(a), the manager or management committee shall give written  
613 notice to the unit owner in the manner provided in the declaration, bylaws, or association rules.  
614 The notice shall state:

615 (i) utility services or right of access and use of recreational facilities will be terminated  
616 if payment of the assessment is not received within the time provided in the declaration,  
617 bylaws, or association rules, which time shall be stated and be at least 48 hours;

618 (ii) the amount of the assessment due, including any interest or late payment fee; and

619 (iii) the right to request a hearing under Subsection (5)(c).

620 (c) Except for a fine imposed pursuant to 57-8-37, a unit owner who is given notice  
621 under Subsection (5)(b) may request an informal hearing to dispute the assessment by  
622 submitting a written request to the management committee within 14 days from the date the  
623 notice is received.

624 (i) The hearing shall be conducted in accordance with the standards provided in the  
625 declaration, bylaws, or association rules.

626 (ii) If a hearing is requested, utility services or right of access and use or recreational  
627 facilities may not be terminated until after the hearing has been conducted and a final decision  
628 has been entered.

629 (d) Upon payment of the assessment due, including any interest or late payment fee, the  
630 manager or management committee shall immediately take action to reinstate the terminated  
631 utility services to the unit.

632 (e) The remedies provided in this Subsection (5) shall only apply to residential  
633 condominium units.

634 (6) (a) If authorized in the declaration, bylaws, or rules adopted by resolution of the  
635 management committee, if the owner of a unit who is leasing the unit fails to pay any  
636 assessment for a period of more than 30 days after it is due and payable, the management  
637 committee, upon compliance with this Subsection (6)(a), and in the case of any fine, the  
638 expiration of the time for appeal under Subsection 57-8-37(5), may demand the tenant to pay to  
639 the association all future lease payments due the owner, commencing with the next monthly or  
640 other periodic payment, until the amount due to the association is paid.

641 (b) The manager or management committee must give the unit owner written notice, in  
642 accordance with the declaration, bylaws, or association rules, of its intent to demand full  
643 payment from the tenant. This notice shall:

644 (i) provide notice to the tenant that full payment of remaining lease payments will  
645 commence with the next monthly or other periodic payment unless the assessment is received

646 within the time period provided in the declaration, bylaws, or association rules;  
647 (ii) state the amount of the assessment due, including any interest or late payment fee;  
648 (iii) state that any costs of collection, not to exceed \$150, and other assessments that  
649 become due may be added to the total amount due; and  
650 (iv) provide the requirements and rights described in Subsections (6)(b) through (f).  
651 (c) If the unit owner fails to pay the amount of the assessment due by the date specified  
652 in the notice, the manager or management committee may deliver written notice to the tenant,  
653 in accordance with the declaration, bylaws, or association rules, that demands future payments  
654 due to the owner be paid to the association pursuant to Subsection (6)(d). A copy of the notice  
655 must be mailed to the unit owner. The notice provided to the tenant must state:  
656 (i) that due to the owner's failure to pay the assessment within the time period allowed,  
657 the owner has been notified of the management committee's intent to collect all lease payments  
658 due to the association pursuant to Subsection (6)(a);  
659 (ii) that until notification by the association that the assessment due, including any  
660 interest or late payment fee, has been paid, all future lease payments due to the owner are to be  
661 paid to the association; and  
662 (iii) payment by the tenant to the association in compliance with this Subsection (6)  
663 will not constitute a default under the terms of the lease agreement. If payment is in  
664 compliance with this Subsection (6) suit or other action may not be initiated by the owner  
665 against the tenant for failure to pay.  
666 (d) All funds paid to the association pursuant to Subsection (6)(c) shall be deposited in  
667 a separate account and disbursed to the association until the assessment due, together with any  
668 cost of administration which may not exceed \$25, is paid in full. Any remaining balance must  
669 be paid to the owner within five business days of payment in full to the association.  
670 (e) Within five business days of payment in full of the assessment, including any  
671 interest or late payment fee, the manager or management committee must notify the tenant in  
672 writing that future lease payments are no longer due to the association. A copy of this  
673 notification must be mailed to the unit owner.  
674 (f) As used in this Subsection (6), "lease" or "leasing" means regular, exclusive  
675 occupancy of a unit by any person or persons, other than the unit owner, for which the unit  
676 owner receives any consideration or benefit, including a fee, service, gratuity, or emolument.

677           (7) (a) The manager or management committee shall, upon the written request of any  
678 unit owner and upon payment of a reasonable fee not to exceed \$10, issue a written statement  
679 indicating any unpaid assessments with respect to the unit covered by the request. This written  
680 statement of unpaid assessments is conclusive upon the remaining unit owners and upon the  
681 manager and management committee in favor of all persons who rely on the written statement  
682 in good faith.

683           (b) Unless the manager or management committee complies with the request for a  
684 statement of any unpaid assessments within ten days, all unpaid assessments which became due  
685 prior to the date the request was made are subordinate to the lien held by the person requesting  
686 the statement.

687           (8) Any encumbrancer holding a lien on a unit may pay any unpaid assessment due  
688 with respect to the unit. Upon payment, the encumbrancer has a lien on the unit for the  
689 amounts paid.

690           (9) Remedies provided in this section, by law, or in equity are not considered to be  
691 mutually exclusive.

692           Section 10. Section **57-8-21** is amended to read:

693           **57-8-21. Acquisition through tax deed or foreclosure of liens.**

694           In the event any person shall acquire, through foreclosure, exercise of power of sale, or  
695 other enforcement of any lien, or by tax deed, the interest of any unit owner, the interest  
696 acquired shall be subject to all the provisions of this act and to the covenants, conditions and  
697 restrictions contained in the declaration, the [~~record of survey map~~] condominium plat, the  
698 bylaws, the house rules, or any deed affecting the interest then in force.

699           Section 11. Section **57-8-27** is amended to read:

700           **57-8-27. Separate taxation.**

701           (1) Each unit and its percentage of undivided interest in the common areas and  
702 facilities shall be considered to be a parcel and shall be subject to separate assessment and  
703 taxation by each assessing unit and special district for all types of taxes authorized by law,  
704 including ad valorem levies and special assessments. Neither the building or buildings, the  
705 property, nor any of the common areas and facilities may be considered a parcel.

706           (2) In the event any of the interests in real property made subject to this chapter by the  
707 declaration are leasehold interests, if the lease creating these interests is of record in the office

708 of the county recorder, if the balance of the term remaining under the lease is at least 40 years  
709 at the time the leasehold interest is made subject to this chapter, if units are situated or are to be  
710 situated on or within the real property covered by the lease, and if the lease provides that the  
711 lessee shall pay all taxes and assessments imposed by governmental authority, then until ten  
712 years prior to the date that the leasehold is to expire or until the lease is terminated, whichever  
713 first occurs, all taxes and assessments on the real property covered by the lease shall be levied  
714 against the owner of the lessee's interest. If the owner of the reversion under the lease has  
715 executed the declaration and [~~record of survey map~~] condominium plat, until ten years prior to  
716 the date that the leasehold is to expire, or until the lease is terminated, whichever first occurs,  
717 all taxes and assessments on the real property covered by the lease shall be separately levied  
718 against the unit owners having an interest in the lease, with each unit owner for taxation  
719 purposes being considered the owner of a parcel consisting of his undivided condominium  
720 interest in the fee of the real property affected by the lease.

721 (3) No forfeiture or sale of the improvements or the property as a whole for delinquent  
722 real estate taxes, special assessments, or charges shall divest or in anywise affect the title to an  
723 individual unit if the real estate taxes or duly levied share of the assessments and charges on the  
724 individual unit are currently paid.

725 (4) Any exemption from taxes that may exist on real property or the ownership of the  
726 property may not be denied by virtue of the submission of the property to this chapter.

727 (5) Timeshare interests and timeshare estates, as defined in Subsection 57-19-2 (17),  
728 may not be separately taxed but shall be valued, assessed, and taxed at the unit level. The  
729 value of timeshare interests and timeshare estates, for purposes of ad valorem taxation, shall be  
730 determined by valuing the real property interest associated with the timeshare interest or  
731 timeshare estate, exclusive of the value of any intangible property and rights associated with  
732 the acquisition, operation, ownership, and use of the timeshare interest or timeshare estate,  
733 including the fees and costs associated with the sale of timeshare interests and timeshare estates  
734 that exceed those fees and costs normally incurred in the sale of other similar properties, the  
735 fees and costs associated with the operation, ownership, and use of timeshare interests and  
736 timeshare estates, vacation exchange rights, vacation conveniences and services, club  
737 memberships, and any other intangible rights and benefits available to a timeshare unit owner.  
738 Nothing in this section shall be construed as requiring the assessment of any real property



739 interest associated with a timeshare interest or timeshare estate at less than its fair market  
740 value. Notice of assessment, delinquency, sale, or any other purpose required by law is  
741 considered sufficient for all purposes if the notice is given to the management committee.

742 Section 12. Section **57-8-35** is amended to read:

743 **57-8-35. Effect of other laws -- Compliance with ordinances and codes --**  
744 **Approval of projects by municipality or county.**

745 (1) The provisions of this chapter shall be in addition and supplemental to all other  
746 provisions of law, statutory or judicially declared, provided that wherever the application of the  
747 provisions of this chapter conflict with the application of such other provisions, this chapter  
748 shall prevail: provided further, for purposes of Sections 10-9-805, 10-9-811, and 17-27-804  
749 and provisions of similar import and any law or ordinance adopted pursuant thereto, a  
750 condominium project shall be considered to be a subdivision, and a [~~record of survey map~~]  
751 condominium plat or supplement thereto prepared pursuant to this chapter shall be considered  
752 to be a subdivision map or plat, only with respect to:

753 (a) such real property or improvements, if any, as are intended to be dedicated to the  
754 use of the public in connection with the creation of the condominium project or portion thereof  
755 concerned; and

756 (b) those units, if any, included in the condominium project or portion thereof  
757 concerned which are not contained in existing or proposed buildings.

758 (2) Nothing in this chapter shall be interpreted to state or imply that a condominium  
759 project, unit, association or unit owners, or management committee is exempt by this chapter  
760 from compliance with the zoning ordinance, building and sanitary codes, and similar  
761 development regulations which have been adopted by a municipality or county. No  
762 condominium project or any use within said project or any unit or parcel or parcel of land  
763 indicated as a separate unit or any structure within said project shall be permitted which is not  
764 in compliance with said ordinances and codes.

765 (3) From and after the time a municipality or county shall have established a planning  
766 commission, no condominium project or any [~~record of survey map~~] condominium plat,  
767 declaration, or other material as required for recordation under this chapter shall be recorded in  
768 the office of the county recorder unless and until the following mentioned attributes of said  
769 condominium project shall have been approved by the municipality or county in which it is

770 located. In order to more fully avail itself of this power, the legislative body of a municipality  
771 or county may provide by ordinance for the approval of condominium projects proposed within  
772 its limits. This ordinance may include and shall be limited to a procedure for approval of  
773 condominium projects, the standards and the criteria for the geographical layout of a  
774 condominium project, facilities for utility lines and roads which shall be constructed, the  
775 percentage of the project which must be devoted to common or recreational use, and the  
776 content of the declaration with respect to the standards which must be adhered to concerning  
777 maintenance, upkeep, and operation of any roads, utility facilities, recreational areas, and open  
778 spaces included in the project.

779 (4) Any ordinance adopted by the legislative body of a municipality or county which  
780 outlines the procedures for approval of a condominium project shall provide for:

781 (a) a preliminary approval, which, among other things, will then authorize the  
782 developer of the condominium project to proceed with the project; and

783 (b) a final approval which will certify that all of the requirements set forth in the  
784 preliminary approval either have been accomplished or have been assured of accomplishment  
785 by bond or other appropriate means. No declaration or [~~record of survey map~~] condominium  
786 plat shall be recorded in the office of the county recorder until a final approval has been  
787 granted.

788 Section 13. Section **57-8-36** is amended to read:

789 **57-8-36. Existing projects -- Effect of statutory amendments.**

790 Any condominium project established by instruments filed for record prior to the  
791 effective date of the foregoing amendments to the Condominium Ownership Act (hereinafter  
792 referred to as an "existing project") and the rights and obligations of all parties interested in any  
793 such existing project shall, to the extent that the declaration, bylaws, and [~~record of survey~~  
794 ~~map~~] condominium plat concerning the existing project are inconsistent with the provisions of  
795 these amendments, be governed and controlled by the provisions of the Condominium  
796 Ownership Act as they existed prior to these amendments and by the terms of the existing  
797 project's declaration, bylaws, and [~~record of survey map~~] condominium plat to the extent that  
798 these terms are consistent with applicable law other than these amendments. Any existing  
799 project containing or purporting to contain time period units, convertible land, or convertible  
800 space, any existing project which is or purports to be a contractible, expandable, or leasehold

801 condominium, the validity of any such project, and the validity and enforceability of any  
802 provisions concerning time period units, convertible land, convertible space, withdrawable  
803 land, additional land, or leased land which are set forth in an existing project's declaration,  
804 bylaws, or ~~[record of survey map]~~ condominium plat, shall be governed by applicable law in  
805 effect prior to these amendments, including principles relating to reasonableness, certainty, and  
806 constructive and actual notice, shall not necessarily be ineffective or defeated in whole or in  
807 part because the project or provision in question does not comply or substantially comply with  
808 those requirements of the foregoing amendments which would have been applicable had the  
809 instruments creating the project been recorded after the effective date of these amendments, but  
810 shall, in any event, be valid, effective, and enforceable if the project or provision in question  
811 either substantially complies with those requirements of the foregoing amendments which  
812 relate to the subject at issue or employs an arrangement which substantially achieves the same  
813 policy as underlies those requirements of the foregoing amendments which relate to the subject  
814 at issue.

815 Section 14. Section **57-8-38** is enacted to read:

816 **57-8-38. Arbitration.**

817 The declaration, bylaws, or association rules may provide that disputes between the  
818 parties shall be submitted to arbitration pursuant to Title 78, Chapter 31a, Utah Arbitration Act.