

**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 residential  
40 unit owner pursuant to the provisions of the declaration, bylaws, or this chapter.

41           ~~(1)~~ (2) "Association of unit owners" means all of the residential unit owners acting as  
42 a group in 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 residential condominium project, whether leasehold or  
48 in fee 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 residential 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 residential unit  
66 owners; and

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

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

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

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

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

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

88           ~~[(9)]~~ (11) "Contractible condominium" means a residential condominium project from  
89 which one or more portions of the land within the project may be withdrawn in accordance  
90 with provisions of the declaration and of this chapter. If the withdrawal can occur only by the  
91 expiration or termination of one or more leases, then the condominium project is not a  
92 contractible condominium within the meaning of this chapter.

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

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

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

106           ~~[(13)]~~ (15) "Declaration" means the instrument by which the property is submitted to  
107 the provisions of this act, as it from time to time may be lawfully amended.

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

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

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

119 the exclusion of the other units.

120 ~~[(17)]~~ (19) "Majority" or "majority of the unit owners," unless otherwise provided in  
121 the declaration or lawful amendments to the declaration, means the owners of more than 50%  
122 in the aggregate in interest of the undivided ownership of the common areas and facilities.

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

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

137 ~~[(20)]~~ (22) "Person" means an individual, corporation, partnership, association, trustee,  
138 or other legal entity.

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

143 ~~[(22)]~~ (24) "Record," "recording," "recorded," and "recorder" have the meaning stated  
144 in Title 57, Chapter 3, Recording of Documents.

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

147 (25) "Residential unit" means either a separate, physical part of the property intended  
148 for residential use, including one or more rooms or spaces located in one or more floors or part  
149 or parts of floors in a building or a time period unit, as the context may require. A convertible

150 space shall be treated as a residential unit in accordance with Subsection 57-8-13.4(3). A  
151 proposed residential condominium unit under an expandable condominium project, not  
152 constructed, is a unit two years after the date the recording requirements of Section 57-8-13.6  
153 are met.

154 [(24)] (26) "Size" means the number of cubic feet, or the number of square feet of  
155 ground or floor space, within each residential unit as computed by reference to the record of  
156 survey map and rounded off to a whole number. Certain spaces within the residential units  
157 including~~[-without limitation,]~~ attic, basement, or garage space may~~[-but need not,]~~ be omitted  
158 from the calculation or be partially discounted by the use of a ratio, if the same basis of  
159 calculation is employed for all residential units in the condominium project and if that basis is  
160 described in the declaration.

161 [(25)] (27) "Time period unit" means an annually recurring part or parts of a year  
162 specified in the declaration as a period for which a [~~physical~~] residential unit is separately  
163 owned and includes a timeshare estate as defined in Subsection 57-19-2(17).

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

170 [(27)] (28) "Unit number" means the number, letter, or combination of numbers and  
171 letters designating the residential unit in the declaration and in the record of survey map.

172 [(28)] (29) "Unit owner" means the person or persons owning a residential unit in fee  
173 simple and an undivided interest in the fee simple estate of the common areas and facilities in  
174 the percentage specified and established in the declaration or, in the case of a leasehold  
175 condominium project, the person or persons whose leasehold interest or interests in the  
176 residential condominium unit extend for the entire balance of the unexpired term or terms.

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

178 **57-8-7. Common areas and facilities.**

179 (1) As used in this section:

180 (a) "emergency repairs" means any repairs which if not made in a timely manner will

181 likely result in immediate and substantial damage to the common areas and facilities or to  
182 another unit or units; and

183 (b) "reasonable notice" means written notice which is hand delivered to the unit at least  
184 24 hours prior to the proposed entry.

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

205 (3) Except as otherwise expressly provided by this act, the undivided interest of each  
206 unit owner in the common areas and facilities as expressed in the declaration shall have a  
207 permanent character and shall not be altered without the consent of two-thirds of the unit  
208 owners expressed in an amended declaration duly recorded. The undivided interest in the  
209 common areas and facilities shall not be separated from the unit to which it appertains and shall  
210 be considered to be conveyed or encumbered or released from liens with the unit even though  
211 such interest is not expressly mentioned or described in the conveyance or other instrument. A

212 time period unit may not be further divided into shorter time periods by a conveyance or  
213 disclaimer.

214 (4) The common areas and facilities shall remain undivided and no unit owner or any  
215 other person shall bring any action for partition or division of any part thereof, unless the  
216 property has been removed from the provisions of this act as provided in Sections 57-8-22 and  
217 57-8-31. Any covenants to the contrary shall be null and void.

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

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

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

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

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

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

233 **57-8-10. Contents of declaration.**

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

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

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

242 (ii) The declaration shall contain a description of any buildings, which states the



243 number of storeys and basements, the number of units, the principal materials of which the  
244 building is or is to be constructed, and a description of all other significant improvements  
245 contained or to be contained in the project.

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

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

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

251 (b) Any shutters, awnings, window boxes, doorsteps, porches, balconies, patios, or  
252 other apparatus intended to serve a single unit, but located outside the boundaries of the unit,  
253 shall constitute a limited common area and facility appertaining to that unit exclusively,  
254 whether or not the declaration makes such a provision.

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

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

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

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

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

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

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

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

274 (3) (a) If the condominium project contains any convertible land:  
275 (i) The declaration shall contain a legal description by metes and bounds of each area  
276 of convertible land within the condominium project.  
277 (ii) The declaration shall state the maximum number of units that may be created  
278 within each area of convertible land.  
279 (iii) (A) The declaration shall state, with respect to each area of convertible land, the  
280 maximum percentage of the aggregate land and floor area of all units that may be created and  
281 the use of which will not or may not be restricted exclusively to residential purposes.  
282 (B) The statements described in Subsection (3)(a)(iii)(A) need not be supplied if none  
283 of the units on other portions of the land within the project are restricted exclusively to  
284 residential use.  
285 (iv) The declaration shall state the extent to which any structure erected on any  
286 convertible land will be compatible with structures on other portions of the land within the  
287 condominium project in terms of quality of construction, the principal materials to be used, and  
288 architectural style.  
289 (v) The declaration shall describe all other improvements that may be made on each  
290 area of convertible land within the condominium project.  
291 (vi) The declaration shall state that any units created within each area of convertible  
292 land will be substantially identical to the units on other portions of the land within the project  
293 or it shall describe in detail what other type of units may be created.  
294 (vii) The declaration shall describe the declarant's reserved right, if any, to create  
295 limited common areas and facilities within any convertible land in terms of the types, sizes, and  
296 maximum number of the limited common areas within each convertible land.  
297 (b) The ~~[record of survey map]~~ condominium plat recorded with the declaration may  
298 provide or supplement the information required under Subsection (3)(a).  
299 (4) If the condominium is an expandable condominium project:  
300 (a) (i) (A) The declaration shall contain an explicit reservation of an option to expand  
301 the project.  
302 (B) The declaration shall include a statement of any limitations on the option to  
303 expand, including a statement as to whether the consent of any unit owners shall be required  
304 and, a statement as to the method by which consent shall be ascertained, or a statement that

305 there are no such limitations.

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

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

312 (iv) The declaration shall state:

313 (A) if any of the additional land is added to the condominium project, whether all of it  
314 or any particular portion of it must be added;

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

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

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

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

325 (vii) The declaration shall state the maximum number of units that may be created on  
326 the additional land. If portions of the additional land may be added to the condominium project  
327 and the boundaries of those portions are fixed in accordance with Subsection (4)(a)(v), the  
328 declaration shall also state the maximum number of units that may be created on each portion  
329 added to the condominium project. If portions of the additional land may be added to the  
330 condominium project and the boundaries of those portions are not fixed in accordance with  
331 Subsection (4)(a)(v), then the declaration shall also state the maximum number of units per  
332 acre that may be created on any portion added to the condominium project.

333 (viii) With respect to the additional land and to any portion of it that may be added to  
334 the condominium project, the declaration shall state the maximum percentage of the aggregate  
335 land and floor area of all units that may be created on it, the use of which will not or may not

336 be restricted exclusively to residential purposes. However, these statements need not be  
337 supplied if none of the units on the land originally within the project are restricted exclusively  
338 to residential use.

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

344 (x) The declaration shall describe all other improvements that will be made on any  
345 portion of the additional land added to the condominium project, or it shall contain a statement  
346 of any limitations as to what other improvements may be made on it. The declaration may also  
347 state that no assurances are made in that regard.

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

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

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

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

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

364 (ii) The declaration shall contain a statement of any limitations on the option to  
365 contract, including a statement as to whether the consent of any unit owners shall be required,  
366 and if so, a statement as to the method by which this consent shall be ascertained. The

367 declaration may also contain a statement that there are no such limitations.

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

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

374 (ii) The declaration shall include a statement as to whether portions of the  
375 withdrawable land may be withdrawn from the condominium project at different times,  
376 together with any limitations fixing the boundaries of those portions by legal descriptions  
377 setting forth the metes and bounds and regulating the order in which they may be withdrawn  
378 from the condominium project.

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

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

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

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

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

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

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

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

397 (iv) The declaration shall include a statement of the rights the unit owners have to

398 extend or renew any of the leases or to redeem or purchase any of the reversions, or a statement  
399 that they have no such rights.

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

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

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

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

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

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

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

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

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

424 **57-8-13. Condominium plat to be recorded.**

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

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

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

434            [(c)] (iii) diagrammatic floor plans of the building or buildings, if any, built or to be  
435 built on the property, other than within the boundaries of any convertible lands, in sufficient  
436 detail to identify each convertible space and physical unit contained within a building,  
437 including its identifying number or symbol, the official datum elevations of the finished or  
438 unfinished interior surfaces of the floors and ceilings and the linear measurements of the  
439 finished or unfinished interior surfaces of the perimeter walls, and the lateral extensions, of  
440 every such convertible space and unit;

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

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

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

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

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

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

457            [(j)] (x) if with respect to any portion or portions, but less than all, of the land included  
458 within the project the unit owners are to own only an estate for years, the location and  
459 dimensions of any such portion, with each labelled as a leased land, and if there be more than

460 one such land, with each labelled with a different letter or number; and

461 ~~[(\*)]~~ (xi) any encroachments by or on any portion of the condominium project.

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

466 (2) When converting all or any portion of any convertible land or when adding  
467 additional land to an expandable condominium, the declarant shall record a new or  
468 supplemental ~~[record of survey map]~~ condominium plat which shall contain the information  
469 necessary to comply with the requirements of Subsection (1) of this section. In any case where  
470 less than all of a convertible land is being converted, the ~~[record of survey map]~~ condominium  
471 plat shall show the location and dimensions of the remaining portion or portions of the land in  
472 addition to otherwise meeting such requirements.

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

480 (4) In interpreting the ~~[record of survey map]~~ condominium plat or any deed or other  
481 instrument affecting a building or unit, the boundaries of the building or unit constructed or  
482 reconstructed in substantial accordance with the ~~[record of survey map]~~ condominium plat  
483 shall be conclusively presumed to be the actual boundaries rather than the description  
484 expressed in the ~~[record of survey map]~~ condominium plat, regardless of the settling or lateral  
485 movement of the building and regardless of minor variance between boundaries shown on the  
486 ~~[record of survey map]~~ condominium plat and those of the building or unit.

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

488 **57-8-13.2. Conversion of convertible land -- Amendment to declaration --**  
489 **Limitations.**

490 (1) The declarant may convert all or any portion of any convertible land into one or



491 more units or limited common areas and facilities subject to any restrictions and limitations  
492 which the declaration may specify. Any such conversion shall be deemed to have occurred at  
493 the time of the recordation of the appropriate instruments under Subsection (2) of this section  
494 and Subsection 57-8-13(2).

495 (2) Simultaneously with the recording of the [~~record of survey map~~] condominium plat  
496 pursuant to Subsection 57-8-13(2), the declarant shall prepare, execute, and record an  
497 amendment to the declaration describing the conversion. The amendment shall assign an  
498 identifying number to each unit formed out of a convertible land and shall reallocate undivided  
499 interests in the common areas and facilities in accordance with Subsection 57-8-13.10(2). The  
500 amendment shall describe or delineate the limited common areas and facilities formed out of  
501 the convertible land, showing or designating the unit or units to which each is assigned.

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

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

508 **57-8-13.6. Expansion of project.**

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

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

518 **57-8-13.10. Condominiums containing convertible land -- Expandable**  
519 **condominiums -- Allocation of interests in common areas and facilities.**

520 (1) If a condominium project contains any convertible land or is an expandable  
521 condominium, then the declaration may not allocate undivided interests in the common areas

522 and facilities on the basis of par value unless the declaration:

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

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

529 (2) (a) Interests in the common areas and facilities may not be allocated to any units to  
530 be created within any convertible land or within any additional land until a ~~[record of survey~~  
531 ~~map]~~ condominium plat depicting the same is recorded pursuant to Subsection 57-8-13 (2).

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

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

547 (4) (a) If the expiration or termination of any lease of a leasehold condominium causes  
548 a contraction of the condominium project which reduces the number of units, or if the  
549 withdrawal of withdrawable land of a contractible condominium causes a contraction of the  
550 condominium project which reduces the number of units, the undivided interest in the common  
551 areas and facilities appertaining to any units so withdrawn shall afterward appertain to the  
552 remaining units, being allocated among them in proportion to their undivided interests in the

553 common areas and facilities.

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

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

559 **57-8-14. Legal description of units.**

560 Every deed, lease, mortgage or other instrument may legally describe a unit by its  
561 identifying number or symbol as designated in the declaration or as shown on the [~~record of~~  
562 ~~survey map~~] condominium plat, and every such description shall be deemed good and  
563 sufficient for all purposes, and shall be deemed to convey, transfer, encumber or otherwise  
564 affect the unit owner's corresponding percentage of ownership in the common areas and  
565 facilities even though the same is not expressly mentioned or described.

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

567 **57-8-20. Lien for nonpayment of common expenses.**

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

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

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

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

581 (4) (a) Subject to Subsection 57-8-37(6), if any residential unit owner fails or refuses to  
582 [~~make any payment of the common expenses~~] pay an assessment when due, that amount  
583 constitutes a lien on the interest of the owner in the property, and upon the recording of notice

584 of lien by the manager or management committee it is a lien upon the residential unit owner's  
585 interest in the property prior to all other liens and encumbrances, recorded or unrecorded,  
586 except:

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

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

592 ~~[(3) The manager or management committee shall, upon the written request of any unit  
593 owner or any encumbrancer or prospective encumbrancer of a unit, and upon payment of a  
594 reasonable fee not to exceed \$10, issue to the requesting person or persons, a written statement  
595 setting forth the unpaid common expenses with respect to the unit covered by the request. This  
596 written statement of indebtedness is conclusive upon the remaining unit owners and upon the  
597 manager and management committee in favor of all persons who rely on the written statement  
598 in good faith. Unless the manager or management committee complies with the request for a  
599 statement of indebtedness within ten days, all unpaid common expenses which became due  
600 prior to the date such request was made are subordinate to the lien held by the person  
601 requesting the statement. Any encumbrancer holding a lien on a unit may pay any unpaid  
602 common expenses payable with respect to the unit and upon payment the encumbrancer has a  
603 lien on the unit for the amounts paid of the same rank as the lien of his encumbrance.]~~

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

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

613 ~~[(5)]~~ (d) Unless otherwise provided in the declaration, the manager or management  
614 committee may bid in the residential unit at foreclosure or other sale and hold, lease, mortgage,

615 or convey the unit.

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

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

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

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

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

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

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

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

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

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

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

644 (6) (a) If authorized in the declaration, bylaws, or rules adopted by resolution of the  
645 management committee, if the owner of a unit who is leasing the unit fails to pay any

646 assessment for a period of more than 30 days after it is due and payable, the management  
647 committee, upon compliance with this Subsection (6)(a), and in the case of any fine, the  
648 expiration of the time for appeal under Subsection 57-8-37(5), may demand the tenant to pay to  
649 the association all future lease payments due the owner, commencing with the next monthly or  
650 other periodic payment, until the amount due to the association is paid.

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

654 (i) provide notice to the tenant that full payment of remaining lease payments will  
655 commence with the next monthly or other periodic payment unless the assessment is received  
656 within the time period provided in the declaration, bylaws, or association rules;

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

658 (iii) state that any costs of collection, not to exceed \$150, and other assessments that  
659 become due may be added to the total amount due; and

660 (iv) provide the requirements and rights described in Subsections (6)(b) through (f).

661 (c) If the unit owner fails to pay the amount of the assessment due by the date specified  
662 in the notice, the manager or management committee may deliver written notice to the tenant,  
663 in accordance with the declaration, bylaws, or association rules, that demands future payments  
664 due to the owner be paid to the association pursuant to Subsection (6)(d). A copy of the notice  
665 must be mailed to the residential unit owner. The notice provided to the tenant must state:

666 (i) that due to the owner's failure to pay the assessment within the time period allowed,  
667 the owner has been notified of the management committee's intent to collect all lease payments  
668 due to the association pursuant to Subsection (6)(a);

669 (ii) that until notification by the association that the assessment due, including any  
670 interest or late payment fee, has been paid, all future lease payments due to the owner are to be  
671 paid to the association; and

672 (iii) payment by the tenant to the association in compliance with this Subsection (6)  
673 will not constitute a default under the terms of the lease agreement. If payment is in  
674 compliance with this Subsection (6) suit or other action may not be initiated by the owner  
675 against the tenant for failure to pay.

676 (d) All funds paid to the association pursuant to Subsection (6)(c) shall be deposited in

677 a separate account and disbursed to the association until the assessment due, together with any  
678 cost of administration which may not exceed \$25, is paid in full. Any remaining balance must  
679 be paid to the owner within five business days of payment in full to the association.

680 (e) Within five business days of payment in full of the assessment, including any  
681 interest or late payment fee, the manager or management committee must notify the tenant in  
682 writing that future lease payments are no longer due to the association. A copy of this  
683 notification must be mailed to the unit owner.

684 (f) As used in this Subsection (6), "lease" or "leasing" means regular, exclusive  
685 occupancy of a unit by any person or persons, other than the residential unit owner, for which  
686 the residential unit owner receives any consideration or benefit, including a fee, service,  
687 gratuity, or emolument.

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

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

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

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

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

704 **57-8-21. Acquisition through tax deed or foreclosure of liens.**

705 In the event any person shall acquire, through foreclosure, exercise of power of sale, or  
706 other enforcement of any lien, or by tax deed, the interest of any unit owner, the interest  
707 acquired shall be subject to all the provisions of this act and to the covenants, conditions and

708 restrictions contained in the declaration, the [~~record of survey map~~] condominium plat, the  
709 bylaws, the house rules, or any deed affecting the interest then in force.

710 Section 11. Section ~~57-8-27~~ is amended to read:

711 **57-8-27. Separate taxation.**

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

717 (2) In the event any of the interests in real property made subject to this chapter by the  
718 declaration are leasehold interests, if the lease creating these interests is of record in the office  
719 of the county recorder, if the balance of the term remaining under the lease is at least 40 years  
720 at the time the leasehold interest is made subject to this chapter, if units are situated or are to be  
721 situated on or within the real property covered by the lease, and if the lease provides that the  
722 lessee shall pay all taxes and assessments imposed by governmental authority, then until ten  
723 years prior to the date that the leasehold is to expire or until the lease is terminated, whichever  
724 first occurs, all taxes and assessments on the real property covered by the lease shall be levied  
725 against the owner of the lessee's interest. If the owner of the reversion under the lease has  
726 executed the declaration and [~~record of survey map~~] condominium plat, until ten years prior to  
727 the date that the leasehold is to expire, or until the lease is terminated, whichever first occurs,  
728 all taxes and assessments on the real property covered by the lease shall be separately levied  
729 against the unit owners having an interest in the lease, with each unit owner for taxation  
730 purposes being considered the owner of a parcel consisting of his undivided condominium  
731 interest in the fee of the real property affected by the lease.

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

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

738 (5) Timeshare interests and timeshare estates, as defined in Subsection 57-19-2 (17),



739 may not be separately taxed but shall be valued, assessed, and taxed at the unit level. The  
740 value of timeshare interests and timeshare estates, for purposes of ad valorem taxation, shall be  
741 determined by valuing the real property interest associated with the timeshare interest or  
742 timeshare estate, exclusive of the value of any intangible property and rights associated with  
743 the acquisition, operation, ownership, and use of the timeshare interest or timeshare estate,  
744 including the fees and costs associated with the sale of timeshare interests and timeshare estates  
745 that exceed those fees and costs normally incurred in the sale of other similar properties, the  
746 fees and costs associated with the operation, ownership, and use of timeshare interests and  
747 timeshare estates, vacation exchange rights, vacation conveniences and services, club  
748 memberships, and any other intangible rights and benefits available to a timeshare unit owner.  
749 Nothing in this section shall be construed as requiring the assessment of any real property  
750 interest associated with a timeshare interest or timeshare estate at less than its fair market  
751 value. Notice of assessment, delinquency, sale, or any other purpose required by law is  
752 considered sufficient for all purposes if the notice is given to the management committee.

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

754 **57-8-35. Effect of other laws -- Compliance with ordinances and codes --**

755 **Approval of projects by municipality or county.**

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

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

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

769 (2) Nothing in this chapter shall be interpreted to state or imply that a condominium

770 project, unit, association or unit owners, or management committee is exempt by this chapter  
771 from compliance with the zoning ordinance, building and sanitary codes, and similar  
772 development regulations which have been adopted by a municipality or county. No  
773 condominium project or any use within said project or any unit or parcel or parcel of land  
774 indicated as a separate unit or any structure within said project shall be permitted which is not  
775 in compliance with said ordinances and codes.

776 (3) From and after the time a municipality or county shall have established a planning  
777 commission, no condominium project or any [~~record of survey map~~] condominium plat,  
778 declaration, or other material as required for recordation under this chapter shall be recorded in  
779 the office of the county recorder unless and until the following mentioned attributes of said  
780 condominium project shall have been approved by the municipality or county in which it is  
781 located. In order to more fully avail itself of this power, the legislative body of a municipality  
782 or county may provide by ordinance for the approval of condominium projects proposed within  
783 its limits. This ordinance may include and shall be limited to a procedure for approval of  
784 condominium projects, the standards and the criteria for the geographical layout of a  
785 condominium project, facilities for utility lines and roads which shall be constructed, the  
786 percentage of the project which must be devoted to common or recreational use, and the  
787 content of the declaration with respect to the standards which must be adhered to concerning  
788 maintenance, upkeep, and operation of any roads, utility facilities, recreational areas, and open  
789 spaces included in the project.

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

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

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

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

800 **57-8-36. Existing projects -- Effect of statutory amendments.**

801 Any condominium project established by instruments filed for record prior to the  
802 effective date of the foregoing amendments to the Condominium Ownership Act (hereinafter  
803 referred to as an "existing project") and the rights and obligations of all parties interested in any  
804 such existing project shall, to the extent that the declaration, bylaws, and [~~record of survey~~  
805 ~~map~~] condominium plat concerning the existing project are inconsistent with the provisions of  
806 these amendments, be governed and controlled by the provisions of the Condominium  
807 Ownership Act as they existed prior to these amendments and by the terms of the existing  
808 project's declaration, bylaws, and [~~record of survey map~~] condominium plat to the extent that  
809 these terms are consistent with applicable law other than these amendments. Any existing  
810 project containing or purporting to contain time period units, convertible land, or convertible  
811 space, any existing project which is or purports to be a contractible, expandable, or leasehold  
812 condominium, the validity of any such project, and the validity and enforceability of any  
813 provisions concerning time period units, convertible land, convertible space, withdrawable  
814 land, additional land, or leased land which are set forth in an existing project's declaration,  
815 bylaws, or [~~record of survey map~~] condominium plat, shall be governed by applicable law in  
816 effect prior to these amendments, including principles relating to reasonableness, certainty, and  
817 constructive and actual notice, shall not necessarily be ineffective or defeated in whole or in  
818 part because the project or provision in question does not comply or substantially comply with  
819 those requirements of the foregoing amendments which would have been applicable had the  
820 instruments creating the project been recorded after the effective date of these amendments, but  
821 shall, in any event, be valid, effective, and enforceable if the project or provision in question  
822 either substantially complies with those requirements of the foregoing amendments which  
823 relate to the subject at issue or employs an arrangement which substantially achieves the same  
824 policy as underlies those requirements of the foregoing amendments which relate to the subject  
825 at issue.

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

827 **57-8-38. Arbitration.**

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