### WEST VIRGINIA LEGISLATURE

**REGULAR SESSION, 1963** 

# ENROLLED

## HOUSE BILL No. 147

(By Mr. White )

PASSED March 71 1963

In Effect minety days from Possage

Filed in Office of the Secretary of Stats of West Virginia <u>3-15-63</u> JOE F. BURDETT SECRETARY OF STATE

# ENROLLED House Bill No. 147

(By Mr. WHITE)

[Passed March 7, 1963; in effect ninety days from passage.]

AN ACT to amend the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new chapter, designated chapter thirty-six-a, relating to the ownership of real property, the division thereof into units, the submission of real property to the provisions of this chapter and the withdrawal of such property from the provisions of this chapter; providing for the improvement, management, operation, assessment and taxation of such property; establishing certain procedures in connection therewith; providing for the conveyancing, leasing and mortgaging thereof; establishing a procedure for the assessment and collection of certain expenses with respect thereto; setting forth certain lien rights with respect thereto; and providing for the recording of certain information.

Be it enacted by the Legislature of West Virginia:

That the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new chapter, designated chapter thirty-six-a, to read as follows:

CHAPTER 36-A. CONDOMINIUMS AND UNIT PROPERTY.

Article 1. Preliminary Provisions.

Section 1. Short Title.—This chapter shall be known 2 and may be cited as the "Unit Property Act".

Sec. 2. Definitions.—The following words or phrases 2 as used in this chapter shall have the meanings ascribed 3 to them in this section, unless the context of this chapter clearly indicates otherwise: 4

(a) "Building" means any multi-unit building or 5 6 buildings or complex thereof, whether in vertical or hori-7 zontal arrangement, as well as other improvements comprising a part of the property and used or intended for 8 use for residential, commercial or industrial purposes or 9 10 for any other lawful purpose or for any combination of 11 such uses.

(b) "Code of regulations" means such governing regu-12 13 lations as are adopted pursuant to this chapter for the

14 regulation and management of the property, including15 such amendments thereof as may be adopted from time16 to time.

17 (c) "Common elements" means and includes:

18 (i) The land on which the building is located and por-19 tions of the building which are not included in a unit;

20 (ii) The foundations, structural parts, supports, main 21 walls, roofs, basements, halls, corridors, lobbies, stair-22 ways and entrances and exits of the building;

23 (iii) The yards, parking areas and driveways;

24 (iv) Portions of the land and building used exclusively
25 for the management, operation or maintenance of the com26 mon elements;

(v) Installations of all central services and utilities;
(vi) All apparatus and installations existing for com29 mon use;

30 (vii) All other elements of the building necessary or
31 convenient to its existence, management, operation, main32 tenance and safety or normally in common use; and
33 (viii) Such facilities as are designated in the declara-

34 tion as common elements.

35 (d) "Common expenses" means and includes:

36 (i) Expenses of administration, maintenance, repair37 and replacement of the common elements:

38 (ii) Expenses agreed upon as common by all the unit39 owners; and

40 (iii) Expenses declared common by provisions of this
41 chapter, or by the declaration or the code of regulations.
42 (e) "Council" means a board of natural individuals of
43 the number stated in the code of regulations who are resi44 dents of this state, who need not be unit owners and who
45 shall manage the business, operation and affairs of the
46 property on behalf of the unit owners and in compliance
47 with and subject to the provisions of this chapter.

48 (f) "Declaration" means the instrument by which the
49 owner of property submits it to the provisions of this
50 chapter as hereinafter provided, and all amendments
51 thereof.

52 (g) "Declaration plan" means a survey of the prop53 erty prepared in accordance with section two, article four,
54 of this chapter.

55 (h) "Majority" or "majority of the unit owners" means

the owners of more than fifty per cent in the aggregate in
interest of the undivided ownership of the common elements as specified in the declaration.

59 (i) "Person" means a natural individual, corporation,60 partnership, association, trustee or other legal entity.

(j) "Property" means and includes the land, the building, all improvements thereon, all owned in fee simple,
and all easements, rights and appurtenances belonging
thereto, which have been or are intended to be submitted to the provisions of this chapter.

(k) "Recorded" means that an instrument has been
duly entered of record in the office of the clerk of the
county court of the county in which the property is
situate.

70 (1) "Clerk" means the clerk of the county court of the71 county in which the property is situate.

(m) "Revocation" means an instrument signed by all
of the unit owners and by all holders of liens against the
units by which the property is removed from the provisions of this chapter.

76 (n) "Unit" means a part of the property designed or

6

77 intended for any type of independent use, which has a 78 direct exit to a public street or way, or to a common ele-79 ment or common elements leading to a public street or 80 way, or to an easement or right of way leading to a pub-81 lic street or way, and includes the proportionate undivided 82 interest in the common elements which is assigned thereto 83 in the declaration, or any amendments thereof.

84 (o) "Unit designation" means the number, letter or
85 combination thereof designating a unit in the declaration
86 plan.

87 (p) "Unit owner" means the person or persons owning88 a unit in fee simple.

89 (q) "Mortgage" means either mortgage or deed of90 trust.

Sec. 3. Application of Chapter.—The provisions of this
2 chapter shall be applicable only to real property, the
3 sole owner or all the owners of which submit the same
4 to the provisions hereof by a duly recorded declaration.
Article 2. General Provisions.

Section 1. Status of Units; Ownership Thereof.—Each
2 unit, together with its proportionate undivided interest
3 in the common elements, is for all purposes real property

4 and the ownership of each unit, together with its pro5 portionate undivided interest in the common elements,
6 is for all purposes the ownership of real property.

Sec. 2. Common Elements .- The percentage of un-2 divided interest in the common elements assigned to each 3 unit shall be set forth in the declaration and such per-4 centage shall not be altered except by recording an 5 amended declaration duly executed by all of the unit 6 owners affected thereby. The undivided interest in the common elements may not be separated from the unit 7 8 to which such interest pertains and shall be deemed to be conveyed, leased or encumbered with the unit even 9 though such interest is not expressly referred to or de-10 scribed in the deed, lease, mortgage or other instrument. 11 12 The common elements shall remain undivided and no owner may exempt himself from liability with respect to 13 the common expenses by waiver of the enjoyment of the 14 right to use any of the common elements or by the aban-15 16 donment of his unit or otherwise, and no action for partition or division of any part of the common elements 17 18 shall be permitted, except as provided in section two,

19 article eight of this chapter. Each unit owner or lessee
20 thereof may use the common elements in accordance with
21 the purpose for which they are intended. The mainte22 nance and repair of the common elements and the making
23 of any additions or improvements thereto shall be carried
24 out only as provided in the code of regulations.

Sec. 3. Invalidity of Contrary Agreements. — Any
2 agreement contrary to the provisions of this chapter shall
3 be void and of no effect.

#### Article 3. Administrative Provisions.

Section 1. Code of Regulations.—The administration
2 of every property shall be governed by a code of regula3 tions, a true and correct copy of which, and all duly
4 adopted amendments of which, shall be duly recorded.

Sec. 2. Adoption, Amendment, Repeal of Code of
2 Regulations.—The council has authority to make, alter.
3 amend and repeal the code of regulations, subject to the
4 right of a majority of the unit owners to change any suck.
5 actions.

Sec. 3. Contents of the Code of Regulations.—The code
2 of regulations shall provide for at least the following and
3 may include other lawful provisions:

4 (a) Identification of the property by reference to the
5 place of record of the declaration and the declaration
6 plan;

7 (b) The method of calling meetings of unit owners8 and meetings of the council;

9 (c) The number of unit owners and the number of
10 members of council which shall constitute a quorum for
11 the transaction of business;

12 (d) The number and qualification of members of
13 council, the duration of the term of such members and
14 the method of filling vacancies;

15 (e) The annual election by the council of a president,
16 secretary and treasurer and any other officers which the
17 code of regulations may specify;

(f) The duties of each officer, the compensation and
removal of officers and the method of filling vacancies;
(g) Maintenance, repair and replacement of the common elements and payment of the cost thereof;

22 (h) The manner of collecting common expenses from23 unit owners; and

24 (i) The method of adopting and of amending rules25 governing the details of the use and operation of the26 property and the use of the common elements.

Sec. 4. Compliance with Code of Regulations, Administrative Provisions, Covenants, Conditions and Restrictions. —Each unit owner shall comply with the code of regulations and with such rules governing the details of the use and operation of the property and the use of the common elements as may be in effect from time to time, and with the covenants, conditions and restrictions set forth in the declaration or in the deed to his unit or in the declaration plan.

Sec. 5. Non-compliance with Code of Regulations, Administrative Provisions, Covenants, Conditions and Restrictions.—Failure to comply with the code of regulations and with such rules governing the details of the use and operation of the property and the use of the common elements as may be in effect from time to time and with the covenants, conditions and restrictions set forth in 3 the declaration or in deeds of units or in the declaration 9 plan shall be grounds for an action for the recovery of 10 damages or for injunctive relief, or both, maintainable 11 by any member of the council on behalf of the council or 12 the unit owners of, in a proper case, by an aggrieved unit 13 owner or by any person who holds a mortgage lien upon 14 a unit and is aggrieved by any such non-compliance.

Sec. 6. Duties of Council.—The duties of the council 2 shall include the following:

3 (a) The maintenance, repair and replacement of the4 common elements;

5 (b) The assessment and collection of funds from unit
6 owners for common expenses and the payment of such
7 common expenses;

8 (c) The adoption and amendment of the code of reg-9 ulations and the promulgation, distribution and enforce-10 ment of rules governing the details of the use and opera-11 tion of the property and the use of the common elements, 12 subject to the right of a majority of the unit owners to 13 change any such actions; and

14 (d) Any other duties which may be set forth in the15 declaration or code of regulations.

Sec. 7. Powers of Council.—Subject to the limitations
2 and restrictions contained in this chapter, the council shall
3 on behalf of the unit owners:

4 (a) Have power to manage the business, operation 5 and affairs of the property and for such purposes to en-6 gage employees and appoint agents and to define their 7 duties and fix their compensation, enter into contracts 8 and other written instruments or documents and to au-9 thorize the execution thereof by officers elected by the 10 council; and

11 (b) Have such incidental powers as may be appro-12 priate to the performance of their duties.

Sec. 8. Work on Common Elements.—The mainte-2 nance, repair and replacement of the common elements 3 and the making of improvements or additions thereto 4 shall be carried on only as provided in the code of regu-5 lations.

Sec. 9. Certain Work Prohibited.—No unit owner shall
2 do any work on his unit or the common elements which
3 would jeopardize the soundness or safety of the property
4 or impair any easement or hereditament without the

5 unanimous consent of the unit owners affected thereby.

Sec. 10. Easements for Work.—The council shall have
2 an easement to enter any unit to maintain, repair or re3 place the common elements, as well as to make repairs
4 to units if such repairs are reasonably necessary for pub5 lic safety or to prevent damage to other units or to the
6 common elements.

Sec. 11. Common Profits and Expenses.—The common 2 profits of the property shall be distributed among, and 3 the common expenses shall be charged to, the unit own-4 ers according to the percentage of the undivided interest 5 of each in the common elements as set forth in the 6 declaration and any amendments thereto.

Sec. 12. Voting by Unit Owners.—At any meeting of 2 unit owners, each unit owner shall be entitled to the 3 same number of votes as the percentage of ownership 4 in the common elements assigned to his unit in the 5 declaration and any amendments thereto.

Sec. 13. Books of Receipts and Expenditures, Availa-2 bility for Examination.—The treasurer shall keep de-3 tailed records of all receipts and expenditures, including

4 expenditures affecting the common elements, specifying
5 and itemizing the maintenance, repair and replacement
6 expenses of the common elements and any other expenses
7 incurred. Such records shall be available for examina8 tion by the unit owners during regular business hours.
9 In accordance with the actions of the council assessing
10 common expenses against the units and unit owners, he
11 shall keep an accurate record of such assessments and
12 of the payment thereof by each unit owner.

### Article 5. The Declaration, Reservations of Charges Thereunder, Conveyances, Mortgages and Leases.

Section 1. Contents of Declaration.—The declaration 2 shall contain the following:

3 (a) A reference to this chapter and an expression of
4 the intention to submit the property to the provisions
5 of this chapter;

6 (b) A description of the land and building;

7 (c) The name by which the property will be known;
8 (d) A statement that the property is to consist of
9 units and common elements as shown in a declaration
10 plan;

(e) A description of the common elements and the proportionate undivided interest, expressed as a percentage,
assigned to each unit therein, which percentages shall
aggregate one hundred per cent;

15 (f) A statement that the proportionate undivided in-16 terest in the common elements may be altered by the 17 recording of an amendment duly executed by all unit 18 owners affected thereby;

(g) A statement of the purposes or uses for whicheach unit is intended and restrictions, if any, as to use;

21 (h) The names of the first members of council;

(i) Any further details in connection with the property which the party or parties executing the declaration may deem appropriate.

Sec. 2. Declaration Plan.—The declaration plan shall bear the verified statement of a registered architect or licensed professional engineer certifying that the declaration plan fully and accurately (i) shows the property, the location of the building thereon, the building and the layout of the floors of the building, including the units and the common elements and (ii) sets forth the

8 name by which the property will be known, and the9 unit designation for each unit therein.

Sec. 3. Contents of Deeds of Units.—Deeds of units 2 shall include the following:

3 (a) The name by which the property is identified in 4 the declaration plan and the name of the political sub-5 division and the ward, if any, and the name of the county 6 in which the building is situate, together with a refer-7 ence to the declaration and the declaration plan, in-8 cluding reference to the place where both instruments 9 and any amendments thereof are recorded;

10 (b) The unit designation of the unit in the declara11 tion plan and any other data necessary for its proper
12 identification;

13 (c) A reference to the last unit deed if the unit was14 previously conveyed;

15 (d) The proportionate undivided interest, expressed
16 as a percentage, in the common elements which is
17 assigned to the unit in the declaration and any amend18 ments thereof;

19 (e) In addition to the foregoing, the first deed con-

20 veying each unit shall contain the following specific 21 provision:

22 "The grantee, for and on behalf of the grantee and the 23 grantee's heirs, personal representatives, successors and 24 assigns, by the acceptance of this deed covenants and 25 agrees to pay such charges for the maintenance of, re-26 pairs to, replacement of and expenses in connection with 27 the common elements as may be assessed from time to 28 time by the council in accordance with the unit prop-29 erty act of West Virginia, and further covenants and 30 agrees that the unit conveyed by this deed shall be sub-31 ject to a charge for all amounts so assessed and that, 32 except insofar as section five, article seven of said unit 33 property act may relieve a subsequent unit owner of 34 liability for prior unpaid assessments, this covenant shall 35 run with and bind the land or unit hereby conveyed and 36 all subsequent owners thereof"; and

37 (f) Any further details which the grantor and grantee38 may deem appropriate.

Sec. 4. Mortgages and Other Liens of Record Affecting 2 Property at Time of the First Conveyance of Each Unit.—

3 At the time of the first conveyance of each unit following 4 the recording of the original declaration, every mortgage 5 and other lien of record affecting the entire building or 6 property or a greater portion thereof than the unit being 7 conveyed shall be paid and satisfied of record, or the unit 8 being conveyed shall be released therefrom by partial 9 release duly recorded.

Sec. 5. Sales, Conveyances or Leases of or Liens upon
Separate Units.—Units may be sold, conveyed, mortgaged,
leased or otherwise dealt with in the same manner as
like dealings are conducted with respect to real property
and interests therein. Every written instrument dealing
with a unit shall specifically set forth the name by which
the property is identified and the unit designation identifying the unit involved.

#### Article 6. Recording.

Section 1. Instruments Recordable.—All instruments
2 relating to the property or any unit, including the in3 struments provided for in this chapter, shall be entitled
4 to be recorded, provided that they are acknowledged or
5 proved in the manner provided by law.

Sec. 2. Recording a Prerequisite to Effectiveness of
2 Certain Instruments.—No declaration, declaration plan
3 or code of regulations, or any amendments thereto, shall
4 be effective until the same have been duly recorded.

Sec. 3. Place of Recording .- The clerk shall record declarations, deeds of units, codes of regulations, and 2 revocations in the same records as are maintained for 3 4 the recording of deeds of real property. Mortgages relating to units shall be recorded in the same records as 5 6 are maintained by the clerk for the recording of real 7 estate mortgages. Declaration plans, and any and all 8 amendments thereto, shall be recorded in the same records as are maintained for the recording of subdivision plans. 9

Sec. 4. Indexing by Recording Officer.—The clerk 2 shall index each declaration against the maker thereof 3 as the grantor and the name by which the property is 4 identified therein as the grantee. The clerk shall in-5 dex each declaration plan and code of regulations and 6 any revocation in the name by which the property is 7 identified therein in both the grantor index and the 8 grantee index. The clerk shall index each unit deed

9 and mortgage and lease covering a unit in the same10 manner as like instruments are indexed.

Sec. 5. Recording Fees.—The clerk shall be entitled 2 to charge the same fees for recording instruments which 3 are recordable under this chapter as the clerk is en-4 titled to charge for like services with respect to the re-5 cording of various similar instruments under the general 6 law.

Article 6. Removal of Property from the Provisions of This Chapter.

Section 1. Removal.—Property may be removed from the provisions of this chapter by a revocation expressing the intention to so remove property previously made subject to the provisions of this chapter. No such revocation shall be effective unless the same is executed by all of the unit owners and by the holders of all mortgages, judgments or other liens affecting the units and is duly recorded.

Sec. 2. Effect of Removal.—When property subject 2 to the provisions of this chapter has been removed as pro-3 vided in section one of this article, the former unit

4 owners shall, at the time such removal becomes effective,
5 become tenants in common of the property. The un6 divided interest in the property owned in common which
7 shall appertain to each unit owner at the time of removal
8 shall be the percentage of undivided interest previously
9 owned by such person in the common elements.

Sec. 3. Resubmission.—The removal of property from
2 the provisions of this chapter shall not preclude such
3 property from being resubmitted to the provisions of the
4 chapter in the manner herein provided.

Article 7. Assessments, Taxation and Liens.

Section 1. Assessments and Taxes.—Each unit and its 2 proportionate undivided interest in the common elements 3 as determined by the declaration and any amendments 4 thereof shall be assessed and taxed for all purposes as a 5 separate parcel of real estate entirely independent of the 6 building or property of which the unit is a part. Neither the building, the property nor any of the common elements 7 shall be assessed or taxed separately after the declaration 8 and declaration plan are recorded, nor shall the same 9 10 be subject to assessment or taxation, except as the units and their proportionate undivided interests in the common
elements are assessed and taxed pursuant to the provisions of this section.

Sec. 2. Assessment of Charges.—All sums assessed by 2 resolutions duly adopted by the council against any unit 3 for the share of common expenses chargeable to that unit 4 shall constitute the personal liability of the owner of the 5 unit so assessed and shall, until fully paid, together with 6 interest thereon at the rate of six percent per annum from 7 the thirtieth day following the adoption of such resolu-8 tions, constitute a charge against such unit which shall be 9 enforceable as provided in section three of this article.

Sec. 3. Method of Enforcing Charges.-Any charge 2 assessed against a unit may be enforced by a civil action by the council acting on behalf of the unit owners, pro-3 4 vided that each suit when filed shall refer to this chapter and to the unit against which the assessment is made and 5 the owner thereof and shall be indexed by the clerk of the 6 county court of the county in which the unit is situate as 7 lis pendens. Any judgment against a unit and its owner 8 shall be enforceable in the same manner as is otherwise 9 provided by law. 10

Enr. H. B. No. 147]

Sec. 4. Mechanics' Liens Against Units.-Any mechan-2 ics' liens arising as a result of repairs to or improvements 3 of a unit by a unit owner shall be liens only against such 4 unit. Any mechanics' liens arising as a result of repairs 5 to or improvements of the common elements, if authorized in writing pursuant to a duly adopted resolution 6 7 of the council, shall be paid by the council as a common expense and until so paid shall be liens against each unit 8 9 in a percentage equal to the proportionate share of the common elements relating to such unit. 10

Sec. 5. Unpaid Assessments at Time of Voluntary Sale of a Unit.—Upon the voluntary sale or conveyance of a 2 3 unit, the purchaser shall be jointly and severally liable with the seller for all unpaid assessments for common 4 expenses which are a charge against the unit as of the date 5 6 of the sale or conveyance, but such joint and several lia-7 bility shall be without prejudice to the purchaser's right to recover from the seller the amount of any such unpaid 8 assessments which the purchaser may pay, and until any 9 such assessments are paid, they shall continue to be a 10 charge against the unit which may be enforced in the 11

24

manner set forth in section three of this article: *Provided*, 12 however, That any person who shall have entered into a 13 written agreement to purchase a unit shall be entitled 14 to obtain a written statement from the treasurer setting 15 forth the amount of unpaid assessments charged against 16 17 the unit and its owners, and if such statement does not reveal the full amount of the unpaid assessments as of 18 19 the date it is rendered, neither the purchaser nor the unit 20 shall be liable for the payment of an amount in excess of the unpaid assessments shown thereon. Any such excess 21 which cannot be promptly collected from the former unit 22 owner may be reassessed by the council as a common ex-23 pense to be collected from all of the unit owners, including 24 25 the purchaser, his successors and assigns.

#### Article 8. Miscellaneous.

Section 1. Insurance.—The council shall, if required by the declaration, the code of regulations or by a majority of the unit owners, insure the building against loss or damage by fire and such other hazards as shall be required or requested, without prejudice to the right of each unit owner to insure his own unit for his own benefit. 7 The premiums for such insurance on the building shall8 be deemed common expenses.

Sec. 2. Repair or Reconstruction.-Except as herein-2 after provided, damage to or destruction of the building or of one or more of several buildings which comprise 3 4 the property shall be promptly repaired and restored by 5 the council using the proceeds of insurance held by the 6 council, if any, for that purpose, and the unit owners directly affected thereby shall be liable for assessment 7 for any deficiency in proportion to their respective un-8 9 divided ownership of the common elements: Provided, however, That if there is substantially total destruction 10 of the building or of one or more of several buildings 11 12 which comprise the property, or if seventy-five per cent of the unit owners directly affected thereby duly resolve 13 not to proceed with repair or restoration, then, and in 14 that event, the salvage value of the property or of the 15 16 substantially destroyed building or buildings shall be subject to partition at the suit of any unit owner directly 17 affected thereby, in which event the net proceeds of sale, 18 together with the net proceeds of insurance policies held 19

20 by the council, if any, shall be considered as one fund 21 and shall be divided among all the unit owners directly 22 affected thereby in proportion to their respective un-23 divided ownership of the common elements, after dis-24 charging, out of the respective shares of unit owners 25 directly affected thereby, to the extent sufficient for the 26 purpose, all liens against the units of such unit owners.

Sec. 3. Severability.—If any provision of this chapter,
2 or any section, sentence, clause, phrase or word, or the
3 application thereof in any circumstance is held invalid,
4 the validity of the remainder of the chapter and of the
5 application of any such provision, section, sentence,
6 clause, phrase or word in any other circumstances, shall
7 not be affected thereby.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

andall / Chairman House Committee

Originated in the House.

Takes effect ninety da	y fram passage.
()	
XIIIan	These
Clerk of the Senate	

1 ABlank ship

Clerk of the House of Delegates

Howan E President of the Sengte

Speaker House of Delegates

The within approved this the 14th

day of March, 1963.

Governor

**7**