

Offered: 3/16/84
Referred: Judiciary

Original sponsor: Halford

BY THE LABOR AND
COMMERCE COMMITTEE

1 IN THE SENATE

2

CS FOR SENATE BILL NO. 464 (L&C)

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

THIRTEENTH LEGISLATURE - SECOND SESSION

5

A BILL

6 For an Act entitled: "An Act revising the laws relating to horizontal
7 property regimes and permitting the establishment of
8 condominiums for mobile homes."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 34.07.020 is amended to read:

11 Sec. 34.07.020. CONTENTS OF DECLARATION. The declaration must
12 [SHALL] contain

13 (1) the name of the condominium association;

14 (2) a legally sufficient description of the real estate
15 [LAND] on which the condominium is [BUILDING AND IMPROVEMENT ARE OR
16 ARE] to be located;

17 (3) [(2)] a description of the boundaries of each unit
18 created by the declaration, and, if within a building, stating the
19 number of stories and basements, the number of units [APARTMENTS] and
20 the principal materials of which it is or is to be constructed;

21 (4) [(3)] the identifying [APARTMENT] number of each unit
22 [APARTMENT], and a statement of its location, approximate area or [,]
23 number of rooms, and immediate common areas to which it has access,
24 and any other information [DATA] necessary for its proper identifica-
25 tion;

26 (5) [(4)] a description of the common areas and facili-
27 ties;

28 (6) [(5)] a description of the limited common areas and
29 facilities, if any, stating to which units [APARTMENT] their use is

1 reserved;

2 (7) [(6)] the value of the condominium [PROPERTY] and of
3 each unit within the condominium [APARTMENT], and the percentage of
4 undivided interest in the common areas and facilities appertaining to
5 each unit [APARTMENT] and to its owner for all purposes, including
6 voting;

7 (8) [(7)] a statement of the purposes for which the condo-
8 minium [BUILDING] and each of the units [APARTMENTS] are intended and
9 restricted as to their use;

10 (9) [(8)] the name of a person to receive service of pro-
11 cess [IN THE CASES PROVIDED FOR IN THIS CHAPTER], together with the
12 residence or business [THE] address of the person that [OF HIS RESI-
13 DENCE OR HIS PLACE OF BUSINESS WHICH] shall be within the municipality
14 [CITY] or recording district in which the condominium [BUILDING] is
15 located;

16 (10) [(9)] a provision as to the percentage of votes by the
17 unit [APARTMENT] owners that [WHICH] determines whether or not to
18 rebuild, repair, restore, or sell the property in the event of the
19 damage or the destruction of all or a part of the property;

20 (11) [(10)] a provision [AUTHORIZING AND] establishing
21 procedures for the subdividing or combining of a unit or units [AN
22 APARTMENT OR APARTMENTS], common areas and facilities or limited
23 common areas and facilities, through the use of a metes and bounds
24 description or otherwise;

25 (12) [(11)] a provision requiring the adoption of bylaws for
26 the administration of the condominium and [PROPERTY OR] for other
27 purposes not inconsistent with this chapter that [WHICH] may include a
28 requirement that the property be administered by a board of directors
29 elected from among the [APARTMENT] owners of the units, or by a

1 manager, or by a managing agent, or otherwise, and the procedures for
2 the adoption and amendment of the bylaws;

3 (13) [(12)] any further details in connection with the
4 property that [WHICH] the person executing the declaration may con-
5 sider desirable and that are [TO SET OUT] consistent with this
6 chapter;

7 (14) [(13)] the method by which the declaration may be
8 amended, consistent with this chapter, except that not less than 60
9 percent of the [APARTMENT] owners of the units may consent to any
10 amendment; and

11 (15) [(14)] a reference, if applicable, to the file number
12 of the floor plans of the building affected that [WHICH] are required
13 to be filed simultaneously with the declaration under AS 34.07.030.

14 * Sec. 2. AS 34.07.030 is amended to read:

15 Sec. 34.07.030. FILING OF SURVEY MAP AND FLOOR PLANS WITH VERI-
16 FIED STATEMENT. There shall be filed simultaneously with the record-
17 ing of the declaration in the recording district in which the property
18 is located

19 (1) a survey map of the surface of the land submitted to
20 the provisions of this chapter showing the location of any [THE]
21 building on it;

22 (2) a set of the floor plans of the condominium, if appli-
23 cable, [BUILDING] showing the layout, identifying [APARTMENT] numbers
24 of the units and dimensions of the units [APARTMENTS] in sufficient
25 detail to identify and locate each unit [APARTMENT] with certainty,
26 stating the name of the building or that it has no name, and bearing
27 the verified statement of a registered architect or registered profes-
28 sional engineer certifying that it is an accurate copy of portions of
29 the plans of the condominium [BUILDING] as filed with and approved by

1 the municipality [GOVERNMENTAL ENTITY] having jurisdiction over the
2 approval of the plans or issuance of permits for the construction of
3 the condominium [BUILDING,] or a statement that no approval or permit
4 is required.

5 * Sec. 3. AS 34.07.040(a) is amended to read:

6 (a) If the floor plans do not include a verified statement by a
7 registered architect or registered professional engineer that the
8 plans fully and accurately depict the layout, identifying [APARTMENT]
9 numbers of the units, and dimensions of the units [APARTMENTS] as
10 built, there shall be recorded before the first conveyance of a unit
11 [AN APARTMENT] an amendment to the declaration to which shall be
12 attached a verified statement of a registered architect certifying
13 that the plans previously filed or being filed simultaneously with the
14 amendment fully and accurately depict the layout, identifying the
15 [APARTMENT] number of each unit and dimensions of the units
16 [APARTMENTS] as built.

17 * Sec. 4. AS 34.07.050 is amended to read:

18 Sec. 34.07.050. FORM OF [FLOOR] PLANS. The recording office
19 shall prescribe the style, size, form, and quality of [FLOOR] plans
20 filed under AS 34.07.030.

21 * Sec. 5. AS 34.07.060 is amended to read:

22 Sec. 34.07.060. SURVEY MAP AND [FLOOR] PLANS SUBJECT TO STATE
23 LAWS AND LOCAL ORDINANCES [LAWS]. The survey map and [FLOOR] plans
24 are subject to [THE PROVISIONS OF] state laws and local ordinances
25 [LAWS] relating to plats, planning and plans, subdivisions, and zon-
26 ing, if the laws or ordinances are not inconsistent with [THE PURPOSES
27 OF] this chapter and if the condominium [BUILDING] is or is to be
28 located on real estate that [LAND WHICH] is not owned in common.

29 * Sec. 6. AS 34.07.070 is amended to read:

1 Sec. 34.07.070. RECORDING OF INSTRUMENTS AFFECTING CONDOMINIUMS
2 [HORIZONTAL PROPERTY REGIMES]. The declaration, an amendment to it,
3 or any instrument by which a condominium [THE PROPERTY] may be removed
4 from the application of this chapter and every instrument affecting a
5 condominium or a unit within a condominium [THE PROPERTY OR AN APART-
6 MENT] may be recorded.

7 * Sec. 7. AS 34.07.080 is amended to read:

8 Sec. 34.07.080. CONDOMINIUM UNITS [APARTMENT] CLASSIFIED AS REAL
9 PROPERTY. Each unit of a condominium [APARTMENT,] together with its
10 undivided interest in the common areas and facilities is not consider-
11 ed an intangible or a security or any interest in an intangible or a
12 security [THEREIN] but for all purposes constitutes and is classified
13 as real property under the provisions of this chapter.

14 * Sec. 8. AS 34.07.090 is amended to read:

15 Sec. 34.07.090. CONDOMINIUM UNIT [APARTMENT] OWNERSHIP AND
16 POSSESSION. Each [APARTMENT] owner of a unit within a condominium has
17 [SHALL HAVE] exclusive ownership and possession of the unit [HIS
18 APARTMENT,] but any unit [APARTMENT] may be owned by husband and wife
19 as tenants by the entirety or may be commonly owned by more than one
20 person.

21 * Sec. 9. AS 34.07.100 is amended to read:

22 Sec. 34.07.100. SEPARATION OF UNIT [APARTMENT] OWNERSHIP FROM
23 COMMON AREAS AND FACILITIES OWNERSHIP PROHIBITED. The percentage of
24 the undivided interest in the common areas and facilities may [SHALL]
25 not be separated from the unit within the condominium [APARTMENT] to
26 which it appertains even though the interest is not expressly men-
27 tioned or described in the conveyance or other instrument.

28 * Sec. 10. AS 34.07.110 is amended to read:

29 Sec. 34.07.110. RELEASE OR PARTIAL RELEASE FROM ENCUMBRANCE

1 AFFECTING A UNIT [APARTMENT] WITH FIRST CONVEYANCE; PARTIAL WAIVER OF
2 LIEN CLAIMS. (a) At the time of the first conveyance of a unit of a
3 condominium [EACH APARTMENT], every mortgage, deed of trust, lien, or
4 other encumbrance affecting the unit of the condominium [APARTMENT],
5 including the percentage of undivided interest allocated to the unit
6 [OF THE APARTMENT] in the common areas and facilities, shall be paid
7 and satisfied of record [,] or the unit of the condominium [APARTMENT]
8 being conveyed and its percentage of undivided interest in the common
9 areas and facilities shall be released by a recorded partial release.

10 (b) A partial waiver of lien claims created under AS 34.35.050 -
11 34.35.120 (mechanics liens) on unsold units of a condominium [APART-
12 MENTS] may be obtained under [BY FOLLOWING THE PROCEDURES SPECIFIED
13 IN] AS 34.35.119.

14 * Sec. 11. AS 34.07.120 is amended to read:

15 Sec. 34.07.120. LIABILITY OF GRANTEE FOR UNPAID COMMON EXPENSES
16 AT TIME OF CONVEYANCE. In a voluntary conveyance the grantee of a
17 unit within a condominium [AN APARTMENT] is jointly and severally
18 liable with the grantor for all unpaid assessments against the grantor
19 [LATTER] for the [HIS] share of the grantor in the common expenses up
20 to the time of the grantor's conveyance, without prejudice to the
21 grantee's right to recover from the grantor the amounts paid on the
22 assessments by the grantee.

23 * Sec. 12. AS 34.07.130 is amended to read:

24 Sec. 34.07.130. PERSON OBTAINING POSSESSION UPON FORECLOSURE OF
25 CONDOMINIUM UNIT [APARTMENT] NOT LIABLE FOR COMMON EXPENSES. If a
26 mortgagee of a recorded mortgage or a trustee of a recorded deed of
27 trust or other purchaser of a unit within a condominium [AN APARTMENT]
28 obtains possession of the unit [APARTMENT] as a result of foreclosure
29 of the mortgage or deed of trust, the possessor and the [, HIS]

1 successors and assigns of the possessor are not liable for the share
2 of the common expenses or assessments by the association of unit
3 [APARTMENT] owners chargeable to the unit that [APARTMENT WHICH]
4 became due before [HIS] possession. The [THIS] unpaid share of common
5 expenses or assessments is a common expense collectable from all of
6 the unit [APARTMENT] owners including the possessor and the [, HIS]
7 successors and assigns of the possessor.

8 * Sec. 13. AS 34.07.140 is amended to read:

9 Sec. 34.07.140. GRANTEE ENTITLED TO STATEMENT OF UNPAID ASSESS-
10 MENTS. A grantee is entitled to a statement from the manager or board
11 of directors setting out the amount of the unpaid assessments against
12 the grantor. The grantee is not liable for [,] nor is the unit
13 [APARTMENT] conveyed subject to a lien for [,] any unpaid assessments
14 against the grantor in excess of the amount contained in the
15 statement.

16 * Sec. 14. AS 34.07.150 is amended to read:

17 Sec. 34.07.150. CONTENTS OF [APARTMENT] DEED TO UNIT. A deed to
18 a unit within a condominium must [AN APARTMENT DEED SHALL] include

19 (1) a description of the real estate [LAND] as required
20 under [PROVIDED IN] AS 34.07.020 [,] or the post office address of the
21 property [,] and, in either case, the date of recording of the
22 declaration and its volume, page, and receiving number;

23 (2) the identifying [APARTMENT] number of the unit as stated
24 [APARTMENT] in the declaration and any other information [DATA]
25 necessary for its proper identification;

26 (3) a statement of the use for which the unit [APARTMENT] is
27 intended and any restrictions on its use;

28 (4) the percentage of undivided interest appertaining to the
29 unit and [APARTMENT,] the common areas and facilities and the limited

1 common areas and facilities appertaining to the unit [IT], if any; and
2 (5) any further details that [WHICH] the grantor and grantee may
3 set out that are consistent with the declaration and with this
4 chapter.

5 * Sec. 15. AS 34.07.160 is amended to read:

6 Sec. 34.07.160. COMMON AREAS AND FACILITIES OWNERSHIP. (a)
7 Each [APARTMENT] owner of a unit within a condominium has the common
8 right to a share [,] with the other [APARTMENT] owners of units [,] in
9 the common areas and facilities.

10 (b) Each [APARTMENT] owner of a unit within a condominium is
11 entitled to an undivided interest in the common areas and facilities
12 in the percentage expressed in the declaration. The percentage is
13 computed by taking as a basis the value of the unit [APARTMENT] in
14 relation to the value of the condominium [PROPERTY].

15 * Sec. 16. AS 34.07.170 is amended to read:

16 Sec. 34.07.170. NONEXCLUSIVE EASEMENT TO USE COMMON AREAS AND
17 FACILITIES. Each [APARTMENT] owner of a unit within a condominium has
18 a nonexclusive easement for [,] and may use the common areas and
19 facilities in accordance with the purpose for which they were intended
20 without hindering or encroaching upon the lawful right of the other
21 [APARTMENT] owners of units.

22 * Sec. 17. AS 34.07.180 is amended to read:

23 Sec. 34.07.180. ALTERATION OF COMMON AREAS AND FACILITIES OWNER-
24 SHIP. (a) The percentage of the undivided interest of each [APART-
25 MENT] owner of a unit within a condominium in the common areas and
26 facilities as expressed in the declaration may [SHALL] not be altered
27 except in accordance with procedures set out in the bylaws and by
28 amending the declaration.

29 (b) The bylaws shall provide for a periodic reappraisal of the

1 units [APARTMENTS] and the common areas and facilities together with a
2 recomputation, if required, of the percentage of the undivided inter-
3 est of each [APARTMENT] owner of a unit in the common areas and
4 facilities.

5 * Sec. 18. AS 34.07.190 is amended to read:

6 Sec. 34.07.190. PARTITION OF COMMON AREAS AND FACILITIES OWNER-
7 SHIP PROHIBITED. (a) The common areas and facilities within a condo-
8 minium shall remain undivided and an [NO APARTMENT] owner of a unit
9 within a condominium or other person may not bring an action for
10 partition or division of any part of the common areas or facilities
11 [,] unless the property has been removed from the application
12 [PROVISIONS] of this chapter under [AS PRESCRIBED BY] AS 34.07.300 -
13 34.07.340. Any covenant to the contrary is void.

14 (b) Nothing in this chapter limits the right of partition by a
15 husband and wife owning as tenants by the entirety or by the owners in
16 common of one or more of the units [APARTMENTS] as to the ownership of
17 a unit or units within the condominium [THE APARTMENT OR APARTMENTS].

18 * Sec. 19. AS 34.07.200(b) is amended to read:

19 (b) The association of unit [APARTMENT] owners has [HAVE] the
20 irrevocable right that may [, TO] be exercised by the manager or board
21 of directors [,] to have access to each unit within the condominium
22 [APARTMENT] from time to time during reasonable hours as may be neces-
23 sary for

24 (1) the maintenance, repair, or replacement of any of the
25 common areas and facilities in it [,] or accessible from it; or

26 (2) making emergency repairs in the unit [APARTMENT] neces-
27 sary to prevent damage to the common areas and facilities or to
28 another unit [APARTMENT].

29 * Sec. 20. AS 34.07.210 is amended to read:

1 Sec. 34.07.210. [APARTMENT] OWNER OF UNIT LIABLE FOR A [HIS]
2 SHARE OF THE COMMON EXPENSES [OF COMMON AREAS AND FACILITIES]. An [NO
3 APARTMENT] owner of a unit within a condominium may not seek exemption
4 [EXEMPT HIMSELF] from liability for [HIS] contribution towards the
5 common expenses of common areas or facilities by a [HIS] waiver of the
6 use or enjoyment of any of the common areas and facilities within the
7 condominium or by abandonment of the unit [HIS APARTMENT].

8 * Sec. 21. AS 34.07.220 is amended to read:

9 Sec. 34.07.220. COLLECTION OF UNPAID COMMON EXPENSES FROM UNIT
10 [APARTMENT] OWNER. A sum assessed by the association of unit [APART-
11 MENT] owners but unpaid for the share of the common expenses charge-
12 able to a unit [ANY APARTMENT] may be enforced by the manager or board
13 of directors acting on behalf of the association of unit [APARTMENT]
14 owners, [UPON FIRST OBTAINING THE APPROVAL OF A MAJORITY OF ALL APART-
15 MENT OWNERS,] in the following manner:

16 (1) 10 [TEN] days' notice shall be given the delinquent
17 [APARTMENT] owner of a unit stating that unless the assessment is paid
18 within 10 [TEN] days any or all utility services will be immediately
19 severed and shall remain severed until the assessment is paid; or

20 (2) by the lawful method of enforcement as may be provided
21 in the declaration or bylaws.

22 * Sec. 22. AS 34.07.230 is amended to read:

23 Sec. 34.07.230. UNPAID COMMON EXPENSE IS LIEN ON UNIT; [APART-
24 MENT,] ORDER OF LIEN PRIORITY. A sum assessed by the association of
25 unit [APARTMENT] owners but unpaid for the share of the common expen-
26 ses chargeable to a unit within a condominium [AN APARTMENT]
27 constitutes a lien on the unit [APARTMENT] prior to all other liens
28 except for

29 (1) tax liens on the unit [APARTMENT] in favor of a a

1 municipality [AN ASSESSING UNIT OR SPECIAL DISTRICT]; and

2 (2) sums unpaid on deeds of trust or mortgages of record.

3 * Sec. 23. AS 34.07.240 is amended to read:

4 Sec. 34.07.240. COMMON EXPENSE LIEN FORECLOSURE. (a) A common
5 expense lien established under [AS PROVIDED FOR IN] AS 34.07.230 of
6 this chapter may be foreclosed in a civil action brought by the
7 manager or board of directors [,] acting on behalf of the association
8 of unit [APARTMENT] owners [,] in the same manner as a lien on [,] or
9 mortgage of or a deed of trust of real property.

10 (b) In the event of a foreclosure under (a) of this section, the
11 unit [APARTMENT] owner who holds over shall [BE REQUIRED TO] pay a
12 reasonable rental for the unit [APARTMENT, IF PROVIDED FOR IN THE
13 BYLAWS,] and the association of unit owners [PLAINTIFF IN THE FORECLO-
14 SURE] may [APPOINT A RECEIVER TO] collect the rental [IT].

15 (c) The manager or board of directors, acting on behalf of the
16 association of unit [APARTMENT] owners may, unless prohibited by the
17 declaration, bid on the unit [IN THE APARTMENT] at the foreclosure
18 sale [,] and may acquire and hold, lease, mortgage and convey the unit
19 [APARTMENT].

20 * Sec. 24. AS 34.07.260 is amended to read:

21 Sec. 34.07.260. CLAIMS [CAUSES OF ACTION RELATING] TO COMMON
22 AREAS AND FACILITIES. (a) Without limiting the rights of an [APART-
23 MENT] owner of a unit within a condominium, a claim [CAUSE OF ACTION]
24 may be brought by the manager or board of directors, in [EITHER CASE
25 IN] the discretion of the board of directors, on behalf of two or more
26 [APARTMENT] owners of units within the condominium, as their respec-
27 tive interests may appear, with respect to a claim [CAUSE OF ACTION]
28 relating to the common areas and facilities of more than one unit
29 [APARTMENT].

1 (b) A claim [CAUSE OF ACTION] relating to the common areas and
2 facilities for damages arising out of tortious conduct shall be main-
3 tained only against the association of unit [APARTMENT] owners and a
4 judgment lien or other charge is a common expense. The judgment lien
5 or charge is removed from a unit [AN APARTMENT] and its percentage of
6 undivided interest in the common areas and facilities upon payment by
7 the respective owner of the [HIS] proportionate share based on the
8 percentage of undivided interest owned by the respective owner [HIM].

9 * Sec. 25. AS 34.07.270 is amended to read:

10 Sec. 34.07.270. SERVICE OF PROCESS ON TWO OR MORE UNIT [APART-
11 MENT] OWNERS. Service of process on two or more [APARTMENT] owners of
12 units within a condominium in an action relating to the common areas
13 and facilities of more than one unit [APARTMENT] may be made on the
14 person designated in the declaration to receive service of process.

15 * Sec. 26. AS 34.07.280(b) is amended to read:

16 (b) All books and records shall be kept in accordance with good
17 accounting procedures and shall be audited at least once a year by an
18 auditor who does not have an interest in the condominium [OUTSIDE OF
19 THE ORGANIZATION].

20 * Sec. 27. AS 34.07.290 is amended to read:

21 Sec. 34.07.290. EXAMINATION BY UNIT [APARTMENT] OWNER OF RE-
22 CEIPTS AND EXPENDITURES. The receipts and expenditures records and
23 vouchers authorizing payment for maintenance and repair of common
24 areas and facilities required to be kept by AS 34.07.280 shall be
25 available for examination by the [AN APARTMENT] owner of a unit within
26 the condominium at convenient hours of weekdays.

27 * Sec. 28. AS 34.07.300 is amended to read:

28 Sec. 34.07.300. DETERMINATION TO BE MADE BY UNIT [APARTMENT]
29 OWNERS IF CONDOMINIUM [PROPERTY] DESTROYED. Except as otherwise

1 provided in a declaration or bylaws, if [IF] within 60 days of damage
2 or destruction of all or part of the condominium [PROPERTY IT IS NOT
3 DETERMINED BY] a majority of the [ALL APARTMENT] owners of units
4 within the condominium have not decided to repair, reconstruct, or
5 rebuild in accordance with the original plan [,] or [BY A UNANIMOUS
6 VOTE OF] all unit [APARTMENT] owners have not decided to do otherwise,
7 then

8 (1) the condominium [PROPERTY] shall be owned in common by
9 the unit [APARTMENT] owners;

10 (2) the undivided interest in the condominium [PROPERTY]
11 owned in common that [WHICH] appertains to each unit [APARTMENT] owner
12 shall be the percentage of undivided interest previously owned by the
13 owner [HIM] in the common areas and facilities; and

14 (3) mortgages, deeds of trust, or liens affecting any of
15 the units [APARTMENTS] are transferred in accordance with the existing
16 priorities to the percentage of the undivided interest of the [APART-
17 MENT] owner of a unit in the condominium [PROPERTY].

18 * Sec. 29. AS 34.07.310 is amended to read:

19 Sec. 34.07.310. ACTION FOR PARTITION IF UNIT [APARTMENT] OWNERS
20 FAIL TO ACT UNDER AS 34.07.300 OF THIS CHAPTER. An action for parti-
21 tion may be started by the [AN APARTMENT] owner of a unit within the
22 condominium if the [APARTMENT] owners fail to act under AS 34.07.300
23 within 60 days of [AFTER] the damage to or destruction of the
24 condominium [PROPERTY].

25 * Sec. 30. AS 34.07.320(b) is amended to read:

26 (b) The fund shall be divided into separate shares, one for each
27 [APARTMENT] owner of a unit within the condominium in a percentage
28 equal to the percentage of undivided interest that the owner [WHICH
29 HE] has in the condominium [PROPERTY].

1 * Sec. 31. AS. 34.07.320(c) is amended to read:

2 (c) After first paying out of the respective share of each
3 [APARTMENT] owner of a unit, all mortgages, deeds of trust, and liens
4 on the undivided interest in the condominium [PROPERTY] owned by the
5 [APARTMENT] owner of a unit, the balance remaining in each share shall
6 be distributed to each [APARTMENT] owner of a unit respectively.

7 * Sec. 32. AS 34.07.330 is amended to read:

8 Sec. 34.07.330. REMOVAL OF CONDOMINIUM [PROPERTY] FROM THE
9 PROVISIONS OF THIS CHAPTER. All of the [APARTMENT] owners of units
10 within a condominium may remove the condominium [A PROPERTY] from the
11 application [PROVISIONS] of this chapter by a recorded instrument to
12 that effect if the mortgagees, trustees, and holders of all liens
13 affecting any of the units within the condominium [APARTMENTS CONSENT
14 OR] agree [, IN EITHER CASE] by a recorded instrument [,] that their
15 mortgages, deeds of trust, and liens are transferred to the percentage
16 of the undivided interest of the [APARTMENT] owner of a unit within
17 the condominium under [IN THE PROPERTY AS PROVIDED IN] AS 34.07.340.

18 * Sec. 33. AS 34.07.340 is amended to read:

19 Sec. 34.07.340. OWNERSHIP OF PROPERTY UPON REMOVAL FROM THE
20 PROVISIONS OF THIS CHAPTER. (a) Upon removal of the property from
21 the application [PROVISIONS] of this chapter, the property is owned in
22 common by the [APARTMENT] owners of units within the former condo-
23 minium.

24 (b) The undivided interest in the property owned in common that
25 [WHICH] appertains to each [APARTMENT] owner of a unit within the
26 former condominium is the percentage of the undivided interest
27 previously owned by the owners in the common areas and facilities of
28 the former condominium.

29 * Sec. 34. AS 34.07.350 is amended to read:

1 Sec. 34.07.350. REMOVAL OF PROPERTY DOES NOT BAR SUBSEQUENT
2 RESUBMISSION UNDER THIS CHAPTER. The removal of property from the
3 application of this chapter under [PROVIDED FOR IN] AS 34.07.330 -
4 34.07.340 does not bar the subsequent resubmission of the property to
5 the provisions of this chapter.

6 * Sec. 35. AS 34.07.360 is amended to read:

7 Sec. 34.07.360. STRICT COMPLIANCE WITH BYLAWS BY [APARTMENT]
8 OWNER OF UNIT NECESSARY. Each [APARTMENT] owner of a unit within a
9 condominium shall comply strictly with the bylaws and with [THE
10 ADOPTED] administrative regulations [,] as either may be lawfully
11 amended [FROM TO TIME,] and with the covenants, conditions and
12 restrictions set out in the declaration or in the deed to the unit
13 [HIS APARTMENT]. The failure by the owner of a unit within a
14 condominium [FAILURE] to comply with bylaws, administrative
15 regulations, covenants, conditions, or restrictions set out in the
16 declaration or in the deed to the unit [ANY OF THE FOREGOING] is
17 ground for an action to recover sums due for damages or injunctive
18 relief [,] or both, maintainable by the manager or board of directors
19 on behalf of the association of unit [APARTMENT] owners or by a
20 particularly aggrieved [APARTMENT] owner of a unit.

21 * Sec. 36. AS 34.07.370 is amended to read:

22 Sec. 34.07.370. UNANIMOUS CONSENT OF ALL UNIT [APARTMENT] OWNERS
23 NEEDED FOR CERTAIN WORK ON INDIVIDUAL UNIT [APARTMENT]. An [NO APART-
24 MENT] owner of a unit within a condominium may not do any work that
25 [WHICH] will jeopardize the soundness or safety of the property,
26 reduce its value, or impair any easement or hereditament without first
27 obtaining the unanimous consent of all of the other [APARTMENT] owners
28 of units within the condominium [BEING FIRST OBTAINED].

29 * Sec. 37. AS 34.07.380 is amended to read:

1 Sec. 34.07.380. COMMON PROFITS AND EXPENSES SHARED BY [APART-
2 MENT] OWNERS OF UNITS. The common profits of the condominium [PROP-
3 PERTY] shall be distributed among and the common expenses shall be
4 charged to the [APARTMENT] owners of units within the condominium
5 according to the percentage of the undivided interest in the common
6 areas and facilities.

7 * Sec. 38. AS 34.07.390 is amended to read:

8 Sec. 34.07.390. PERSONS SUBJECT TO THIS CHAPTER. (a) The [AN
9 APARTMENT] owner of a unit within a condominium, the [, HIS] tenant of
10 the owner of a unit and [, OR] their employees, and [OR] any other
11 person that may in any manner use the property of the condominium or
12 any part of it under this chapter are subject to the provisions of
13 this chapter [,] and to the declaration and bylaws of the association
14 of unit [APARTMENT] owners adopted under this chapter.

15 (b) An agreement, decision, and determination made by the asso-
16 ciation of unit [APARTMENT] owners under this chapter, the declaration
17 or the bylaws and in accordance with the voting percentages estab-
18 lished under this chapter, declaration, or the bylaws is binding on
19 all [APARTMENT] owners of units within the condominium.

20 * Sec. 39. AS 34.07.400(a) is amended to read:

21 (a) A manager or board of directors, if required by the declara-
22 tion, bylaws, or by a majority of the [APARTMENT] owners of units
23 within a condominium, or if requested by a mortgagee or trustee having
24 a mortgage or a deed of trust of record covering a unit within the
25 condominium [AN APARTMENT], shall obtain insurance for the condominium
26 [PROPERTY] against loss or damage by fire and other hazards under the
27 terms and amounts required or requested.

28 * Sec. 40. AS 34.07.400(b) is amended to read:

29 (b) The insurance coverage shall be written on the condominium

1 [PROPERTY] in the name of the manager or of the board of directors of
2 the association of unit [APARTMENT] owners, as trustee for each of the
3 [APARTMENT] owners of units in the percentages established by the
4 declaration or under a reappraisal of ownership interests under
5 AS 34.07.180(b).

6 * Sec. 41. AS 34.07.400(d) is amended to read:

7 (d) Provision of [FOR] insurance under this section does not
8 prejudice the right of an [APARTMENT] owner of a unit within the
9 condominium to insure the unit [HIS OWN APARTMENT] or the personal
10 contents in it for the [HIS] benefit of the owner.

11 * Sec. 42. AS 34.07.410 is amended to read:

12 Sec. 34.07.410. LIENS AGAINST PROPERTY, UNITS [APARTMENTS],
13 COMMON AREAS, AND FACILITIES. (a) After the recording of the
14 declaration under [AS PROVIDED IN] this chapter [,] and so long as
15 [WHILE] the property remains subject to this chapter, no lien may
16 [THEREAFTER] arise or be effective against the condominium [PROPERTY].
17 During this period, liens or encumbrances may arise or be created only
18 against each unit of the condominium [APARTMENT] and the percentage of
19 undivided interest in the common areas and facilities appurtenant to
20 the unit [APARTMENT] in the same manner and under the same conditions
21 as liens or encumbrances may arise or be created upon or against any
22 other separate parcel of real property subject to individual owner-
23 ship. Labor [HOWEVER, NO LABOR] performed or materials furnished with
24 the consent of or at the request of the owner of any unit [APARTMENT,]
25 or the owner's agent, contractor, or subcontractor [,] may not be the
26 basis for the filing of a lien against any other unit [APARTMENT] or
27 any other property of any other [APARTMENT] owner of a unit not ex-
28 pressly consenting to or requesting the labor or materials. Express
29 [SAME. HOWEVER, EXPRESS] consent is considered to have been given by

1 an [APARTMENT] owner of a unit in the case of emergency repairs.

2 (b) Labor performed or materials furnished for the common areas
3 and facilities, if authorized under [AS PROVIDED IN] this chapter,
4 [OR] by the declaration or bylaws, [OR] by the association of unit
5 [APARTMENT] owners, or by the manager or the board of directors [,] is
6 considered to have been performed or furnished with the express con-
7 sent of each [APARTMENT] owner of a unit within the condominium and
8 may be the basis for the filing of a lien against each of the units
9 [APARTMENTS] and is subject to [THE PROVISIONS OF] AS 34.07.420.

10 * Sec. 43. AS 34.07.420 is amended to read:

11 Sec. 34.07.420. REMOVAL OF LIEN AGAINST TWO OR MORE UNITS
12 [APARTMENTS]. (a) If a lien against two or more units within a
13 condominium [APARTMENTS] becomes effective, the [APARTMENT] owners of
14 the separate units [APARTMENTS] may remove their units [APARTMENTS]
15 and the percentage of undivided interest in the common areas and
16 facilities appurtenant to the units [APARTMENTS] from the lien by
17 payment of the fractional or proportional amounts attributable to each
18 of the units [APARTMENTS] affected. The individual payments are
19 computed by reference to the percentage appearing on the declaration
20 or under a reappraisal of ownership interests under AS 34.07.180(b).

21 (b) After payment, discharge, or satisfaction of the lien, the
22 unit within the condominium [APARTMENT] and the percentage of undi-
23 vided interest in the common areas and facilities appurtenant to it
24 are free and clear of the liens paid, satisfied, or discharged. The
25 partial payment, satisfaction, or discharge does not prevent the
26 lienor from proceeding to enforce [HIS] rights against a unit within
27 the condominium [ANY APARTMENT] and the percentage of undivided inter-
28 est in the common areas and facilities appurtenant to it not paid,
29 satisfied, or discharged.

1 * Sec. 44. AS 34.07.430 is amended to read:

2 Sec. 34.07.430. ASSESSMENT AND TAXATION OF UNITS [APARTMENTS].

3 (a) Each unit within a condominium together with [AN APARTMENT AND]
4 its undivided interest in the common areas and facilities is [ARE] a
5 parcel and [IT] is subject to separate assessments and taxation by a
6 municipality [EACH ASSESSING UNIT] for all types of taxes authorized
7 by law including special ad valorem levies and special assessments.
8 The condominium and [NO BUILDING, PROPERTY, OR] any of the common
9 areas and facilities may not be made the subject of a security inter-
10 est or considered as a parcel for any purpose.

11 (b) Nothing in this chapter detracts from or limits the powers
12 and duties of assessment and taxation by a municipality [ANY ASSESSING
13 OR TAXING UNIT OR OFFICIAL] otherwise granted or imposed by law, [OR]
14 regulation, or ordinance.

15 * Sec. 45. AS 34.07.440 is amended to read:

16 Sec. 34.07.440. INTERPRETATION OF LOCAL ORDINANCES, RESOLUTIONS,
17 OR ZONING LAWS. Local ordinances, resolutions, or laws relating to
18 zoning shall be construed to treat like structures, lots, or parcels
19 in like manner regardless of whether or not the ownership is divided
20 by sale of units within a condominium [APARTMENTS] under this chapter
21 rather than by lease of apartments.

22 * Sec. 46. AS 34.07.450 is repealed and reenacted to read:

23 Sec. 34.07.450. DEFINITIONS. In this chapter

24 (1) "association of unit owners" means all of the owners of
25 units within a condominium acting as a group in accordance with the
26 bylaws and with the recorded declaration;

27 (2) "common areas and facilities" means all of the portions
28 of the condominium other than the units;

29 (3) "common expenses" means expenditures made by or the

1 financial liabilities of the association of unit owners together with
2 any allocations to reserves;

3 (4) "common interest community" means real estate with
4 respect to which a person, by virtue of ownership of a unit, is obli-
5 gated to pay for real estate taxes, insurance premiums, maintenance,
6 or improvement of other real estate described in a declaration;

7 (5) "common profits" means the balance of all income,
8 rents, profits and revenue from the common areas and facilities
9 remaining after a deduction of the common expenses;

10 (6) "condominium" means a common interest community in
11 which portions of real estate are designated for separate ownership
12 and the remainder of the real estate is designated for common owner-
13 ship solely by the owners of those portions;

14 (7) "declaration" means the instrument prepared under
15 AS 34.07.020 by which the condominium is submitted to regulation under
16 this chapter;

17 (8) "identifying number" means a symbol or address that
18 identifies only one unit in a common interest community;

19 (9) "limited common areas and facilities" means a portion
20 of the common areas and facilities allocated by the declaration and,
21 if applicable, the bylaws for the exclusive use of more than one but
22 fewer than all of the units;

23 (10) "majority" or "majority of unit owners" means the unit
24 owners with 50 percent of the votes plus one vote in accordance with
25 the percentages assigned in the recorded declaration to the apartments
26 for voting purposes;

27 (11) "real estate"

28 (A) means any leasehold or other estate or interest
29 in, over, or under land, including structures, fixtures, and

1 other improvements and interests that by custom, usage, or law
2 pass with the conveyance of land though not described in the
3 contract or sale or the instrument of conveyance;

4 (B) includes parcels with or without upper or lower
5 boundaries and spaces that may be filled with air;

6 (12) "unit" means a physical portion of the property in a
7 common interest community subject to this chapter that is designated
8 for separate ownership or occupancy and the boundaries of which are
9 described under AS 34.07.020;

10 (13) "unit owner" means the person or persons who own a unit
11 within a common interest community created by a declaration filed
12 under AS 34.07.020.

13 * Sec. 47. AS 34.35.071(f) is amended to read:

14 (f) After recording a condominium declaration under AS 34.07.020
15 [AS PROVIDED IN AS 34.07.010 - 34.07.460 (HORIZONTAL PROPERTY REGIMES
16 ACT)], an owner may record a notice of completion under this section
17 as to each unit [APARTMENT] after completion of the original
18 construction of each unit of the condominium [APARTMENT].

19 * Sec. 48. AS 34.35.119 is amended to read:

20 Sec. 34.35.119. WAIVER OF LIENS ON UNSOLD CONDOMINIUM UNITS
21 [APARTMENTS]. (a) Liens created under AS 34.35.050 - 34.35.120
22 arising out of original construction that [WHICH] becomes subject to
23 AS 34.07.010 - 34.07.450 [THE HORIZONTAL PROPERTY REGIMES ACT
24 (AS 34.07.010 - 34.07.460)] before the first sale of any portion of a
25 condominium [THE PROPERTY] after commencement of construction are
26 [SHALL BE] subject to the provisions of this section.

27 (b) Subject to (c) of this section, a claimant who claims a lien
28 against an entire condominium [THE ENTIRE BUILDING] shall release that
29 portion of the [HIS] lien claim that [WHICH] relates to a particular

1 unit of the condominium [APARTMENT] selected by the owner of the
2 unsold condominium units [APARTMENTS] after the claimant receives a
3 partial payment of the [HIS] lien claim that [WHICH] is equal to 115
4 percent of the amount determined by:

5 (1) dividing the surface area of the common areas and
6 facilities attendant to the condominium unit [APARTMENT] by the
7 surface area of all common areas and facilities of the condominium
8 [BUILDING]; and

9 (2) multiplying the result obtained in (1) of this
10 subsection by the total amount of the claimant's lien claim.

11 (c) A lien claimant is not required to waive a portion of the
12 [HIS] lien claim under this section unless the amount of indebtedness
13 secured by a prior encumbrance against the condominium [BUILDING] held
14 by a construction lender is also reduced by an amount calculated in
15 the same manner as provided in (b) of this section.

16 * Sec. 49. AS 34.07.460 is repealed.