



Address: 601 S. Henderson Road, Suite 151
King of Prussia, PA 19406
Phone: (610) 783-1315
Fax: (610) 783-1318
Web: www.cai-padelval.org

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Honorable Members of the Pennsylvania House Urban Affairs Committee:

On behalf of the Pennsylvania and Delaware Valley Chapter of Community Associations Institute (CAI), I write to convey our support for legislation recently introduced by Representative Mark Keller proposing amendments to the statutes governing common interest ownership communities (CIOCs) in the Commonwealth. These amendments are all intended to clarify existing provisions of these consumer protection statutes and enhance the overall administration and governance of Pennsylvania's community associations. As described below, these amendments relate to five (5) specific sections of the Uniform Condominium Act ("UCA"), Uniform Planned Community Act ("UPCA") and Real Estate Cooperative Act ("RECA") (collectively, the "Acts") and are designed to be entirely consistent with the statutory scheme already put in place by the Legislature.

The specific amendments are outlined below:

- Sections 3302(11) of the UCA; 4302(11) of the RECA; and 5302(11) of the UPCA. This amendment expressly provides the statutory authority for what already exists in many associations' governing documents with respect to the suspension of unit owners' privileges in the event of delinquencies in the payment of assessments or uncured violations of an association's declaration, bylaws and/or rules and regulations.
- Sections 3303(e) of the UCA; 4303(f) of the RECA; and 5303(e) of the UPCA. This amendment is intended to insure that the existing statutory requirement for the turnover of control of an association's board of directors from the declarant to the unit owners is satisfied without undue delay or prejudice to the interests of the homeowners. If a declarant fails to hold an election meeting at the time a declarant's control terminates, then an executive board member elected by the unit owners, or alternatively, unit owners entitled to cast at least ten (10%) percent of the votes, may call for a special meeting to elect a homeowner-controlled board.
- Sections 3318 of the UCA; 4312 of the RECA; and 5318 of the UPCA. This amendment is designed to clarify and cure any ambiguity in the existing statutory sections relating to the conveyance or encumbrance of common elements. Specifically, the amendments confirm that the procedures and voting requirements currently set forth in this section in connection with a conveyance or encumbrance of common elements are equally applicable to a tax sale or an involuntary transfer of the common elements, and further, that any interest in the common elements which is subject to the declaration prior to a conveyance or encumbrance, shall remain subject to the declaration following such conveyance or encumbrance, absent provisions in the deed or agreement to the contrary.
- Sections 3409 of the UCA; 4411 of the RECA; and 5409 of the UPCA. This amendment also clarifies and firmly establishes that the declarant's obligation to release real estate from liens before conveying such real estate to the association includes unpaid real estate taxes on that real estate.

- Sections 3411 of the UCA; 4414 of the RECA; and 5411 of the UPCA. This amendment relates to the declarant's warranty against structural defects, and consistent with the consumer protection purposes of the Acts, provides that an association's right of action under this section is tolled until the period of declarant control terminates. This amendment conforms the statute to certain decisional law and the public policies already embodied in the Acts relating to tort and contract liability of a declarant under Sections 3311, 4311 and 5311 of the respective Acts.

In addition, amendments to three (3) sections of the Uniform Planned Community Act, only, are being proposed as follows:

- Section 5103 of the UPCA. This amendment expands the definition of "common facilities" in the UPCA so as to include terms frequently used by declarants interchangeably with the term "common facilities" in governing declarations and plats and plans, such as "common area" or "open space".
- Section 5203 of the UPCA. This amendment confirms that the existing requirements under Section 5205 of the UPCA relating to the contents of a recorded declaration and the declarant's reservation of special declarant rights remain in effect and are enforceable even in those instances where the declarant may fail to include such express provisions in the declaration.
- Section 5205 of the UPCA. Likewise, this amendment clarifies and resolves any ambiguity concerning the scope of the declarant's disclosure requirements in designating a portion of the planned community as a "common facility" to be owned or leased by the association.

On behalf of CAI and the thousands of community associations throughout the Commonwealth, I respectfully request your support in reporting this legislation out of the House Urban Affairs Committee.

Very kind regards,

A handwritten signature in black ink that reads "Tony Campisi". The signature is fluid and cursive, with a long horizontal stroke at the end.

Tony Campisi
Executive Director