

# HOUSE BILL No. 4874

June 5, 2007, Introduced by Rep. Amos and referred to the Committee on Regulatory Reform.

A bill to amend 1978 PA 59, entitled "Condominium act," by amending sections 8, 37, and 69 (MCL 559.108, 559.137, and 559.169), section 8 as amended by 1982 PA 538 and section 69 as amended by 2002 PA 283.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 8. (1) "Master deed" means the condominium document  
2 recording the condominium project to which are attached as exhibits  
3 and incorporated by reference the bylaws for the project and the  
4 condominium subdivision plan for the project. The master deed shall  
5 include all of the following:

6           (a) An accurate legal description of the land involved in the  
7 project.

8           (b) A statement designating the condominium units served by

1 the limited common elements and clearly defining the rights in the  
2 limited common elements.

3 (c) A statement showing the total percentage of value for the  
4 condominium project and the separate percentages of values assigned  
5 to each individual condominium unit identifying the condominium  
6 units by the numbers assigned in the condominium subdivision plan.

7 (d) Identification of the local unit of government with which  
8 the detailed architectural plans and specifications for the project  
9 have been filed.

10 (e) Any other matter which is appropriate for the project.

11 **(2) BEGINNING JANUARY 1, 2008, NO MASTER DEED CREATED ON OR**  
12 **AFTER THAT DATE THAT PURPORTS TO ALLOCATE CONDOMINIUM MAINTENANCE**  
13 **FEEES TO CO-OWNERS SHALL ALLOCATE CONDOMINIUM MAINTENANCE FEES TO**  
14 **OWNERS ON ANY BASIS OTHER THAN A PER-SQUARE-FOOT OWNERSHIP BASIS.**

15 Sec. 37. (1) The master deed may allocate to each condominium  
16 unit an undivided interest in the common elements proportionate to  
17 its percentage of value assigned as provided in this act.

18 (2) If an equal percentage of value is allocated to each  
19 condominium unit, the master deed may simply state that fact and  
20 need not express the fraction or percentage so allocated.

21 (3) If an equal percentage of value is not assigned, the  
22 percentage of value allocated to each condominium unit shall be  
23 reflected by a table in the master deed or by an exhibit or  
24 schedule accompanying the master deed and recorded simultaneously  
25 therewith. The table shall identify the condominium units, listing  
26 them serially or grouping them together in the case of condominium  
27 units to which identical percentages of value are allocated, and

1 setting forth the respective percentages relative to the several  
2 condominium units. The master deed or the exhibit or schedule shall  
3 set forth, with reasonable clarity, the formula upon which the  
4 percentages were allocated in the original master deed and the  
5 basis upon which the same will be reallocated in any modification  
6 of the master deed by which condominium units will be added,  
7 withdrawn, or modified, which basis may provide for reasonable  
8 flexibility if different types of condominium units are introduced  
9 into the condominium project in subsequent phases thereof.

10 (4) A convertible space shall be allocated a percentage of  
11 value in accordance with the formula used to derive the original  
12 percentage of value.

13 (5) Except to the extent otherwise expressly provided by this  
14 act, the undivided interest in the common elements allocated to any  
15 condominium unit shall not be altered, and any purported transfer,  
16 encumbrance, or other disposition of that interest without the  
17 condominium unit to which it appertains is void.

18 (6) The common elements shall not be subject to an action for  
19 partition unless the condominium project is terminated.

20 **(7) BEGINNING JANUARY 1, 2008, NO MASTER DEED CREATED ON OR**  
21 **AFTER THAT DATE THAT PURPORTS TO ALLOCATE CONDOMINIUM MAINTENANCE**  
22 **FEEES TO CO-OWNERS SHALL ALLOCATE CONDOMINIUM MAINTENANCE FEES TO**  
23 **OWNERS ON ANY BASIS OTHER THAN A PER-SQUARE-FOOT OWNERSHIP BASIS.**

24 Sec. 69. (1) Except to the extent that the condominium  
25 documents provide otherwise, common expenses associated with the  
26 maintenance, repair, renovation, restoration, or replacement of a  
27 limited common element shall be specially assessed against the

1 condominium unit to which that limited common element was assigned  
2 at the time the expenses were incurred. If the limited common  
3 element involved was assigned to more than 1 condominium unit, the  
4 expenses shall be specially assessed against each of the  
5 condominium units equally so that the total of the special  
6 assessments equals the total of the expenses, except to the extent  
7 that the condominium documents provide otherwise.

8 (2) To the extent that the condominium documents expressly so  
9 provide, any other unusual common expenses benefiting less than all  
10 of the condominium units, or any expenses incurred as a result of  
11 the conduct of less than all those entitled to occupy the  
12 condominium project or by their licensees or invitees, shall be  
13 specially assessed against the condominium unit or condominium  
14 units involved, in accordance with reasonable provisions as the  
15 condominium documents may provide.

16 (3) ~~The~~ **EXCEPT AS OTHERWISE PROVIDED IN THIS SECTION, THE**  
17 amount of all common expenses not specially assessed under  
18 subsections (1) and (2) shall be assessed against the condominium  
19 units in proportion to the percentages of value or other provisions  
20 as may be contained in the master deed for apportionment of  
21 expenses of administration.

22 (4) A co-owner shall not be exempt from contributing as  
23 provided in this act by nonuse or waiver of the use of any of the  
24 common elements or by abandonment of his or her condominium unit.

25 **(5) BEGINNING JANUARY 1, 2008, NO MASTER DEED, LEASE, OR OTHER**  
26 **CONDOMINIUM DOCUMENT ENTERED INTO ON OR AFTER THAT DATE SHALL**  
27 **ALLOCATE CONDOMINIUM MAINTENANCE FEES TO OWNERS ON ANY BASIS OTHER**

1 THAN A PER-SQUARE-FOOT OWNERSHIP BASIS.