

## INTRODUCTION:

### CONDOMINIUM DEFINITIONS

#### CONDOMINIUM

The property interest of unit owners in a multi-unit building, refers to the fee-simple ownership of each unit and the unit owner's undivided interest in the land and all other property not considered "units" as defined in the Declaration of Condominium.

It may be further defined as "joint ownership or control", and, depending on the context in which it is used in the enabling statutes of the various states, it may have several meanings:--

The term can mean either the individual unit or the entire condominium project, including all the land and common areas.

The condominium, depending on the local statutes, may be nearly any type of building and may have a variety of occupancies. Although most condominiums are residential, they may contain commercial, office or industrial occupancies depending on the state statutes. The building structure may be a high rise, garden type, cluster type, or, in some states, a cluster of single family units.

#### UNIT

The "unit" is the box of air suspended in space to which the unit owner holds a fee-simple title. A typical description of a "unit" in a Condominium Declaration could read: --

The boundaries of the unit granted are the interior surfaces of the perimeter walls, floors, ceilings, windows and doors thereof, and the unit includes both the portions of the building so described in the air space so encompassed. The following are not a part of the unit: bearing walls, columns, floors, roofs, foundations, elevator equipment and shafts, central heating, central refrigeration and central air-conditioning equipment, reservoirs, flues, conduits, shoots, wires and other utility installations wherever located, except the outlets thereof when located within the unit.

#### BUILDING

All of the building structure which does not fall within the definition of "unit". Whether or not this includes partition walls and fixtures within the units should be spelled out in the Declaration of Condominium.

## COMMON ELEMENTS

The entire project except "units", as defined, including land, basic building structures, lobbies, corridors, pools, tennis courts and similar areas.

## LIMITED COMMON ELEMENTS

The limited common elements are a part of the common elements which are set aside for the exclusive use of one or more of the "unit" owners, but not for the use of all the "unit" owners.

Examples of those for one owner would be an assigned parking stall, a patio area and a storage area outside the confines of the unit.

An example of a limited common element for the use of more than one unit owner would be a lobby or lounge area for the use of all unit owners of one building where there are several buildings in the project.

Some condominium conditions and restrictions have provided that patios, carports, balconies and other such areas are a part of the "unit".

## FIXTURES

This term is used to refer to everything contained within the four perimeter walls, floor and ceiling of the "unit" all unfinished, excepting utilities for the service of other units which may pass through the "unit" and load bearing walls within the "unit".

Fixtures may include but are not limited to: paint and wall coverings, carpets and floor coverings, cabinets and appliances, non load-bearing interior walls, doors, and plumbing and electrical fixtures.

## OWNER

The person holding title to one or more "units".

## ASSOCIATION

The association is the "homeowners Association". It is usually a non-profit corporation, but occasionally it is an unincorporated association. Every "unit" owner is automatically a member of the association.

## DECLARATIONS

Refers to the master deed which outlines the relationship between the "unit" owners, and the responsibilities, rights and duties of the association of unit owners acting as a group in accordance with the "by-laws" and "declaration".

Frequently it is called the "condominium conditions and restrictions".

BY-LAWS

The regulations concerning the operation of the condominium, usually spelling out, among other matters, the extent to which the association will provide insurance protection against the various types of exposure.

COMMON EXPENSES .

All sums lawfully assessed against the "unit" by the "association of unit owners".

## HOW CONDOMINIUMS ARE CREATED

Individual units in a condominium may be sold only after the developer files with the local registrar of deeds, a document called "declaration of condominium" and a plat showing the three-dimensional physical boundaries of each individual unit. A person building a new condominium structure or converting an existing structure to condominium ownership must comply with the state law in this regard. All states require both the plat and the declaration.

The importance of the declaration of condominium cannot be over-emphasized. It determines what each unit buyer actually owns; It is the only way to make the proper distinctions between units and common areas.

The declaration must include:

A description of the land upon which the structure is to be located;

A description of the structure itself, including the materials of which it is constructed;

A description of each individual unit, with the dimensions and a description of the common areas to which it has immediate access;

A description of all the common areas and a statement of the common interest of each unit owner;

A statement of the purpose or use for which the building and each unit are intended;

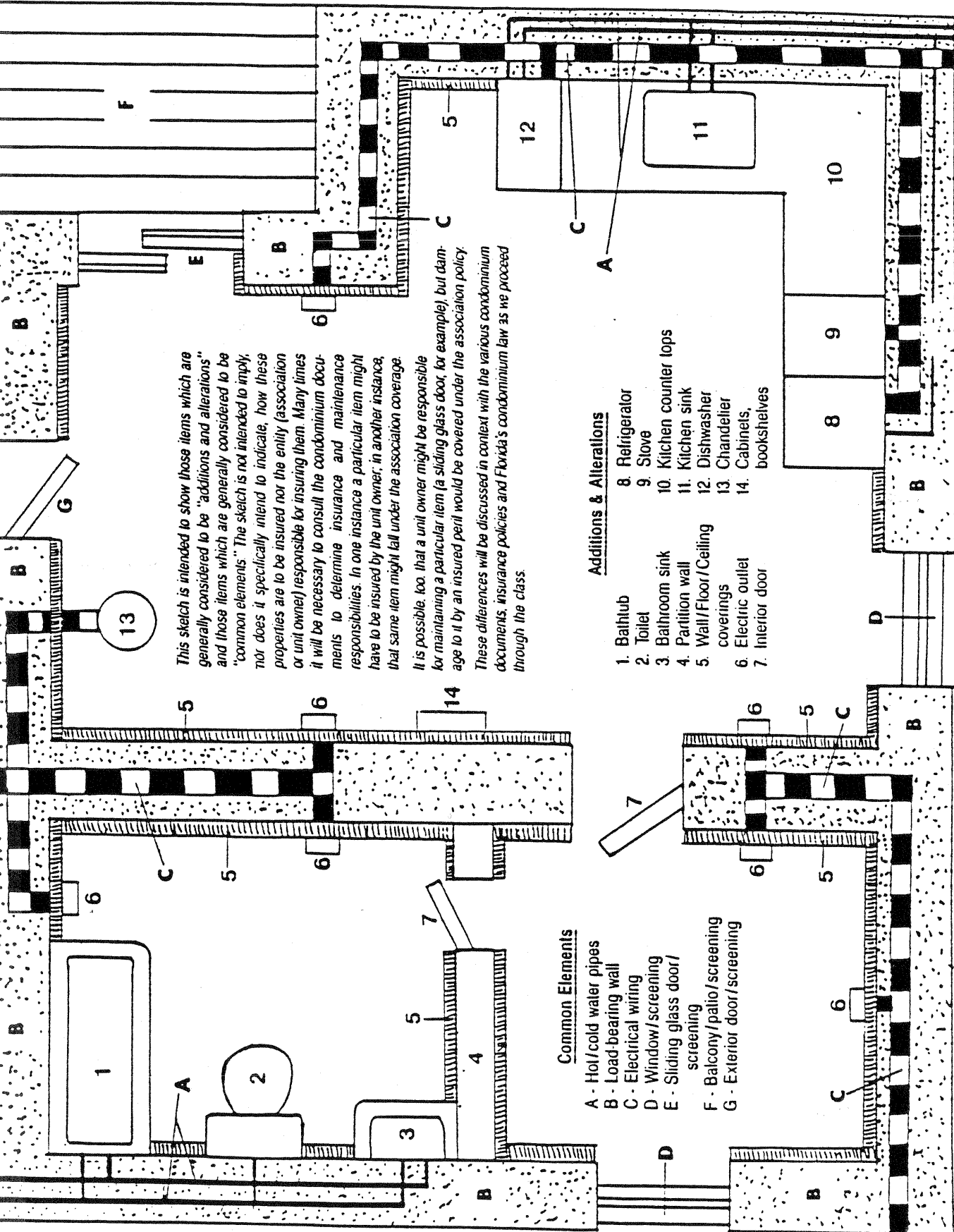
The name of the person authorized to receive service of process.

It may also include many other details.

At the time the declaration and plat are filed, there must be an established set of by-laws for the operation of the condominium association. The by-laws will provide for the election of a board of managers or directors, to be elected by the condominium association of unit owners. Person who buy units automatically become members of the association.

The board of managers or directors has, among other administrative duties, the job of purchasing insurance. This board may be empowered to buy insurance on both the common areas and the individual units. The declaration itself may spell in detail the extent to which insurance is to be purchased, and the interest to be protected by that coverage.

# Condominium Apartment — Schematic — Additions and Alterations vs. Common Elements



This sketch is intended to show those items which are generally considered to be "additions and alterations" and those items which are generally considered to be "common elements." The sketch is not intended to imply, nor does it specifically intend to indicate, how these properties are to be insured nor the entity (association or unit owner) responsible for insuring them. Many times it will be necessary to consult the condominium documents to determine insurance and maintenance responsibilities. In one instance a particular item might have to be insured by the unit owner, in another instance, that same item might fall under the association coverage. It is possible, too, that a unit owner might be responsible for maintaining a particular item (a sliding glass door, for example), but damage to it by an insured peril would be covered under the association policy. These differences will be discussed in context with the various condominium documents, insurance policies and Florida's condominium law as we proceed through the class.

### Additions & Alterations

- 1. Bathtub
- 2. Toilet
- 3. Bathroom sink
- 4. Partition wall
- 5. Wall/Floor/Ceiling coverings
- 6. Electric outlet
- 7. Interior door
- 8. Refrigerator
- 9. Stove
- 10. Kitchen counter tops
- 11. Kitchen sink
- 12. Dishwasher
- 13. Chandelier
- 14. Cabinets, bookshelves

### Common Elements

- A - Hot/cold water pipes
- B - Load-bearing wall
- C - Electrical wiring
- D - Window/screening
- E - Sliding glass door/screening
- F - Balcony/patio/screening
- G - Exterior door/screening