

# House Study Bill 751

## Bill Text

PAG LIN

1 1 Section 1. Section [499B.3](#), Code 1999, is amended by adding  
1 2 the following new unnumbered paragraph:

1 3 NEW UNNUMBERED PARAGRAPH. If the declaration is to convert  
1 4 an existing structure, the declarant shall file the  
1 5 declaration of the horizontal property regime with the city in  
1 6 which the regime is located or with the county if not located  
1 7 within a city at least forty-five days before being recorded  
1 8 in the office of the county recorder to enable the city or  
1 9 county, as applicable, to establish that the converted  
1 10 structure meets appropriate building code requirements as  
1 11 provided in section 499B.20. However, if the city or county,  
1 12 as applicable, does not have a building code, the declarant  
1 13 shall file the declaration with the state building code  
1 14 commissioner instead of the applicable city or county at least  
1 15 forty-five days before the recording of the declaration to  
1 16 enable the commissioner to establish that the converted  
1 17 structure meets the state building code.

1 18 Sec. 2. Section [499B.10](#), Code 1999, is amended to read as  
1 19 follows:

1 20 499B.10 INDIVIDUAL APARTMENTS AND INTEREST IN COMMON  
1 21 ELEMENTS ARE ALIENABLE.

1 22 When real property containing a building is committed to a  
1 23 horizontal property regime, each individual apartment located  
1 24

~~therein~~

- in the building and the interests in the general  
1 25 common elements and limited common elements if any,  
1 26 appurtenant thereto, shall

~~be vested as,~~

- constitute for all  
1 27 purposes a separate parcel of real property and shall be as  
1 28 completely and freely alienable as any separate parcel of real  
1 29 property is or may be under the laws of this state, except as  
1 30 limited by the provisions of this chapter.

1 31 Sec. 3. Section [499B.11](#), subsection 1, Code Supplement  
1 32 1999, is amended to read as follows:

1 33 1. All real property taxes and special assessments shall  
1 34 be assessed and levied on each apartment and its respective  
1 35 appurtenant fractional share or percentage of the land,  
2 1 general common elements and limited common elements where  
2 2 applicable as

~~such~~

- these apartments and appurtenances are  
2 3 separately owned, and not on the entire horizontal property  
2 4 regime. The fair market value determined for an apartment  
2 5 includes the value of its appurtenant share or percentage of  
2 6 the land, general common elements, and limited common  
2 7 elements.

2 8 Sec. 4. NEW SECTION. 499B.20 CONVERSIONS TO MEET  
2 9 BUILDING CODES.

2 10 After the effective date of this Act, an existing structure  
2 11 shall not be converted to a horizontal property regime unless  
2 12 the converted structure meets local city or county, as

2 13 applicable, building code requirements in effect on the date  
2 14 of conversion or the state building code requirements if the  
2 15 local city or county does not have a building code. For  
2 16 purposes of this section, if the structure is located in a  
2 17 city, the city building code applies and if the structure is  
2 18 located in the unincorporated area of the county, the county  
2 19 building code applies.

2 20 Sec. 5. EFFECTIVE DATE. This Act, being deemed of  
2 21 immediate importance, takes effect upon enactment.

2 22 EXPLANATION

2 23 The bill specifies that a building unit, general common  
2 24 interests, and limited common interests, appurtenant to the  
2 25 building unit, in a horizontal property regime, i.e.,  
2 26 condominium complex, constitutes a separate parcel of real  
2 27 property. Also, the bill provides that for property taxation  
2 28 purposes, the fair market value determined for the building  
2 29 unit in a condominium complex includes the value of the land  
2 30 and general and limited common elements. After the effective  
2 31 date of the bill, existing structures meet shall not be  
2 32 converted to condominiums unless the structures the city or  
2 33 county, as applicable, building codes or the state building  
2 34 code, if the applicable city or county does not have a  
2 35 building code. The bill provides that 45-day notice must be  
3 1 provided to the applicable city, county, or state before the  
3 2 filing of the declaration to convert a structure to a  
3 3 condominium complex.

3 4 The bill takes effect upon enactment.

3 5 LSB 6513HC 78

3 6 mg/cf/24