

127th MAINE LEGISLATURE

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Legislative Document

No. 994

H.P. 689

House of Representatives, March 19, 2015

An Act To Create a Priority Lien Securing 6 Months of Assessments under the Maine Condominium Act

Reference to the Committee on Judiciary suggested and ordered printed.

ROBERT B. HUNT Clerk

R(+ B. Hunt

Presented by Representative FOLEY of Wells. Cosponsored by Senator COLLINS of York.

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 33 MRSA §1603-116, sub-§(k) is enacted to read:

(k) Notwithstanding subsection (b), paragraph (2), a lien under this section securing priority amounts is prior to a first mortgage. The association's failure to send notice to the first mortgage either that the owner of the unit is 60 days delinquent in the payment of common expenses or that the association intends to file an action to enforce the lien within 30 days does not affect the priority of the lien securing the 6 months of regular assessments, but failure to send at least one notice means that the association is not entitled to receive any costs or attorney's fees incurred in an action to enforce the lien. The full payment of the priority amounts discharges the lien under this section. As used in this subsection, "priority amounts" means the amount of the association's regular assessments established under a periodic budget that would have become due during the 6-month period immediately prior to initiating a lawsuit to enforce a lien under this section and the association's costs and reasonable attorney's fees incurred in enforcing the lien. "Priority amounts" does not include amounts attributable to special assessments, late charges, fines, penalties and interest assessed by the association.

17 SUMMARY

This bill establishes a 6-month lien for condominium association assessments that takes priority over a first mortgage.