

CHAPTER 24

**CONDOMINIUM, FEE SIMPLE AND COOPERATIVE
CONVERSION AND MOBILE HOME PARK
RETIREMENT**

Authority

N.J.S.A. 2A:18-61.12, 2A:18-61.38 and 2A:18-61.59.

Source and Effective Date

R.2005 d.428, effective November 9, 2005.
See: 37 N.J.R. 565(b), 37 N.J.R. 4533(a).

Chapter Expiration Date

Chapter 24, Condominium, Fee Simple and Cooperative Conversion and Mobile Home Park Retirement, expires on November 9, 2010.

Chapter Historical Note

Chapter 24, Condominium and Cooperative Conversion, was adopted as R.1978 d.22, effective February 9, 1978. See: 9 N.J.R. 410(a), 10 N.J.R. 55(b).

Subchapter 2, Senior Citizens and Disabled Protected Tenancy, was adopted as R.1982 d.9, effective February 1, 1982. See: 13 N.J.R. 802(a), 14 N.J.R. 144(a).

Pursuant to Executive Order No. 66(1978), Chapter 24, Condominium and Cooperative Conversion, was readopted as R.1985 d.529, effective September 30, 1985. See: 17 N.J.R. 1706(a), 17 N.J.R. 2536(a).

Pursuant to Executive Order No. 66(1978), Chapter 24, Condominium and Cooperative Conversion, was readopted as R.1990 d.379, effective July 10, 1990. See: 22 N.J.R. 1455(b), 22 N.J.R. 2276(a).

Subchapter 3, Protected Tenancy in Qualified Counties, was adopted as R.1992 d.287, effective July 6, 1992. See: 24 N.J.R. 1453(a), 24 N.J.R. 2429(a).

Pursuant to Executive Order No. 66(1978), Chapter 24, Condominium, Fee Simple and Cooperative Conversion and Mobile Home Park Retirement, was readopted as R.1995 d.366, effective July 12, 1995. See: 27 N.J.R. 1718(a), 27 N.J.R. 2578(a).

Pursuant to Executive Order No. 66(1978), Chapter 24, Condominium, Fee Simple and Cooperative Conversion and Mobile Home Park Retirement, was readopted as R.2000 d.270, effective June 5, 2000. See: 31 N.J.R. 3942(a), 32 N.J.R. 2425(b).

Chapter 24, Condominium, Fee Simple and Cooperative Conversion and Mobile Home Park Retirement, was readopted as R.2005 d.428, effective November 9, 2005. See: Source and Effective Date.

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SUBCHAPTER 1. GENERAL PROVISIONS

5:24-1.1 Introduction

P.L. 1975, c.311, which amended and supplemented P.L. 1974, c.49 (N.J.S.A. 2A:18-61.1 through 61.12), became effective on February 19, 1976. P.L. 1981, c.8, which amended P.L. 1974, c.49 and P.L. 1975, c.311 so as to extend certain protections to owners of mobile homes in mobile home parks being permanently retired from the rental market, became effective January 26, 1981. The rules contained in this subchapter have been adopted to enable the Department of Community Affairs (DCA) to implement these laws and to assist owners and tenants of properties affected by them in complying with, and realizing the protection provided by, their requirements.

5:24-1.2 Procedures; definitions

(a) When an owner seeks to convert a building from the rental market to a condominium or a cooperative or fee simple ownership of two or more dwelling units, or to convert a mobile home park from the rental market to a condominium or cooperative or fee simple ownership of two or more units or park sites, or to retire a mobile home park permanently from the rental market, there are several procedures required to be followed pursuant to N.J.S.A. 2A:18-61.6 through 61.12.

(b) The following terms used in the statutes and these rules are defined as follows:

1. "Multiple dwelling" shall mean any building or structure of one or more stories and any land appurtenant thereto, and any portion thereof, in which three or more units of dwelling space are occupied, or are intended to be occupied, by three or more persons who live independently of each other; provided, that this definition shall not be

construed to include any building or structure defined as a hotel in N.J.S.A. 55:13A-3, or registered as a hotel with the Commissioner of Community Affairs, or occupied or intended to be occupied exclusively as such, or any building under a condominium form of ownership.

2. "Condominium", as in N.J.S.A. 46:8B-1 et seq., means the form of ownership of real property under a master deed providing for ownership by one or more owners of units of improvements together with an undivided interest in common elements appurtenant to each such unit.

3. "Cooperative" means a housing corporation or association which entitles the holder of a share of membership interest thereof to possess and occupy for dwelling purposes, a house, apartment or other structure owned or leased by said corporation or association, or to lease or purchase a dwelling to be constructed by said corporation or association.

4. "Mobile home park" means any park, including, without limitation, a trailer park or camp, equipped to accommodate mobile homes on a year-round basis.

5. "Rooming or boarding house" means a building or structure having at least two dwelling units which do not have separate cooking and sanitary facilities for the unit and which are occupied by persons living independently of each other, and having at least 15 percent of such units occupied by persons who either have no other residence or who reside there for more than 90 days.

6. "Comparable housing or park site" means housing that is:

i. Decent, safe, sanitary, and in compliance with all local and State housing codes;

ii. Open to all persons regardless of race, creed, national origin, ancestry, marital status or sex; and

iii. Provided with facilities equivalent to that provided by the landlord in the dwelling unit or park site in which the tenant or mobile home owner then resides in regard to each of the following:

(1) Apartment size, including number of rooms, or park site size;

(2) Rent range;

(3) Apartment's major kitchen and bathroom facilities; and

(4) Special facilities necessary for the handicapped or infirm;

iv. Located in an area not less desirable than the area in which the tenant or mobile home owner then resides in regard to each of the following:

(1) Accessibility to the tenant or mobile home owner's place of employment;

(2) Accessibility of community and commercial facilities; and

(3) Environmental quality and conditions; and

v. In accordance with additional reasonable criteria that the tenant or mobile home owner has requested in writing at the time of making any request under P.L. 1975, c.311, as amended.

Amended by R.1985 d.529, effective October 21, 1985.

See: 17 N.J.R. 1706(a), 17 N.J.R. 2536(a).

Substantially amended.

Amended by R.1990 d.507, effective October 15, 1990.

See: 22 N.J.R. 2208(a), 22 N.J.R. 3218(a).

Definition of comparable housing or park site added.

5:24-1.3 Documents required; conversion

(a) Any owner who intends to convert a multiple dwelling, a rooming or boarding house or a mobile home park into a condominium or cooperative, or to fee simple ownership of units or park sites, must first provide tenants with a "notice of intent" and a "full plan of conversion."

(b) These two items must include all the items described below and must be provided to all affected tenants 60 days before serving the three year notice of intent to institute proceedings to evict.

(c) Both the notice of intent and the full plan of conversion shall be sent by certified mail, and if not claimed they shall be sent by regular mail.

(d) A duplicate of the 60-day notice and full plan shall be transmitted to the clerk of the municipality.

(e) Any material change in the full plan of conversion or amendment to the Public Offering Statement (POS) under N.J.S.A. 45:22A-21 et seq. and N.J.A.C. 5:26 shall require such extension of the 90-day exclusive right to purchase as may be necessary to allow tenants who have not yet purchased their units at least 30 days remaining in which to exercise such exclusive right.

1. If the purchase contract offered by the developer does not include a contingency provision allowing a purchaser at least 60 days in which to secure financing for the purchase, then, unless the developer is providing such financing upon terms found by the Division of Codes and Standards to be reasonable, the exclusive right to purchase period shall be extended as long as may be necessary to allow such tenants at least 60 days in which to exercise such exclusive right.

2. A change shall be deemed "material" for the purpose of (e) of this section if so deemed by the Division of Housing and Development pursuant to N.J.A.C. 5:25-3.3(a).