



## Condominium Law Q&A

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**Question** – Our condo association is facing the issue of financial trauma due to the unacceptable laws governing delinquent HOA dues. You have discussed this issue in several articles in our newspaper. I would like to either start or participate in a campaign to the Florida Legislature to address the very problem at the root of destruction of the shared ownership system for some 5 million of us facing this situation in Florida. Do you have guidance or suggestions as to how I can take action? B.L.

**Answer** – Part of the problem, as I reported in my column, was the failure of the Administration and Congress to address the overly stringent lending guidelines enacted by Freddie Mac and Fannie Mae (neither initiates loans, but rather buys and securitizes loans) which had the effect of derailing the economic recovery. Those lending guidelines prevented lenders from making loans to credit worthy individuals because the lending criteria was based on the amount of delinquency in the shared ownership community (SOC) as a whole, and whether the SOC maintained reserves and had adequate casualty and liability insurance coverage. Apparently, enough individuals, such as yourself, expressed their opinions loudly enough to force the policy makers to change the guidelines; at least for Floridians. Fannie Mae recently announced that it will pre-approve Florida SOC's for loan purchases, even if the community does not technically comply with all of its lending guidelines. Freddie Mac followed with their own set of relaxed guidelines. And, now with the Administration's new Affordable

Home Modification Program which will allow lenders to reduce the principal on loans where borrowers owe more than 115% of the value of their homes, we are beginning to see a light at the end of the tunnel. Hopefully, these new guidelines, coupled with the "Distressed Condominium Relief Act" which is making its way through the Florida Legislature, will result in a reduction in the inventory of unsold units and bring assessment paying owners back into the State's SOC's. I'll keep my readers updated as we begin to see the impact of these changes.

**Question** – My significant other and I live in a gated community. We have been living together for almost four years. She is the title owner of the villa we live in. We both had bar codes on our autos in order to go thru the pass gate. The association took my bar code from me this year because they said I was not a registered owner. Then they took the bar code away from my sweetheart because they said she was living with me and I was not an owner of the property. They want \$100.00 from me to investigate me in order for me to live in the complex. I told them I would be happy to give them all the information they require, fill out all their forms, but refuse to give them money to investigate me. They (the condo association) said if I pay the \$100.00 they will issue us both a bar code for our autos. My question is, how can they refuse access to my sweetheart because of me? She is homeowner on record and pays all fees required by the Association. I can understand them denying me a bar code for my auto, but I think they are

overstepping the bounds by denying her. We have asked to be shown in writing anything about denying a bar code to an owner because of a guest living in the same house, and they cannot come up with anything. Please advise us what to do. R.S., WPB

**Answer** – Assuming your significant other is the record title owner to the unit they cannot take away her bar code and means of access simply because

you are living in the unit. And, if in fact you are living together as a “housekeeping unit” that is holding yourself out as a “family” they must treat you the same as any other couple, one of which just does not happen to have his/her name on the deed. That said, it would be easier to pay the \$100 and get your own bar code then to get into a legal controversy over this.

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