

**2810.3500 UNREASONABLE PROVISIONS.**

Unless unusual and compelling considerations are presented, the commissioner will ordinarily be guided by the following general policies, and will not consider as reasonable:

A. provisions which deny, limit, or abridge, directly or indirectly, the right of any owner to sell, lease, or rent that owner's unit in a condominium, community apartment project, planned development, or stock cooperative; except that a reasonable plan may be utilized which sets forth uniform and objective standards and qualifications for the sale or lease. Should the unit owner be unable to find a purchaser or lessee meeting such uniform and objective standards, the owner may be required to give the governing body an option to purchase or lease said unit before selling or leasing to a person who does not meet such standards provided, however, that any such provisions providing for a right to repurchase by the governing body must be exercised within 15 days of receipt of written notice from the unit owner to the subdivider, governing body, or authorized representative thereof;

B. provisions pursuant to which the failure by an owner to comply with any requirements, conditions, or covenants contained in any declaration of restrictions, organizational rules, or bylaws results in forfeiture, loss, limitation, or abridgement of the owner's rights in a condominium, community apartment project, planned development, or stock cooperative, or of membership and participation in a management or owners' organization. The foregoing does not preclude reasonable management rules authorizing discipline or temporary suspension of a member's rights, wherein appropriate procedures are afforded, including an opportunity to be heard; nor does it preclude foreclosure of an assessment lien;

C. provisions authorizing annexation of other property to the subdivision, which may substantially increase assessments or substantially increase the burden upon community property and/or facilities, unless:

(1) the procedure for annexation is reasonable and is detailed in the original filing; or

(2) if the procedure for annexation is not detailed, provision is made for approval of the annexation by at least a majority of the voting power, excluding voting power of the subdivider;

D. provisions authorizing lien assessments unless reasonable provision for transfer of control of the assessment power to unit owners or association of unit owners is also provided;

E. provisions authorizing establishment of an architectural control committee or a similar entity, unless they provide that unit owners shall have the right to elect the committee membership when 90 percent or more of the units have been sold. The foregoing does not preclude reasonable arrangements approved by the commissioner for retention of control

over such committee by the subdivider, in the event other increments are to be added or annexed to said subdivision; and

F. any other provisions which arbitrarily deny, limit, or abridge the right of unit owners with respect to the management, maintenance, preservation, operation, or control of their interests.

**Statutory Authority:** *MS s 83.38*

**History:** *17 SR 1279*

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