

SENATE, No. 88

STATE OF NEW JERSEY 213th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2008 SESSION

Sponsored by:

Senator CHRISTOPHER J. CONNORS

District 9 (Atlantic, Burlington and Ocean)

SYNOPSIS

Requires certification by purchaser or grantee that federal law will not be violated by sale in age-restricted community.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel



1 AN ACT concerning housing for older persons and homeowners'
2 associations, and supplementing P.L.1993, c. 30 (C.45:22A-41 et
3 seq.) and Title 46 of the Revised Statutes.

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5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

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8 1. The Legislature finds and declares:

9 a. Age-restricted communities are one of the fastest growing
10 types of developments in the nation and in the State;

11 b. Age-restrictions violate federal laws against discrimination
12 in housing, unless certain exceptions are met for age-restricted
13 communities as authorized by federal law;

14 c. Homeowners' associations which manage the property in
15 age-restricted communities currently have no methods by which to
16 ensure that the exceptions to federal anti-discrimination provisions
17 will be maintained upon the resales of units in such communities;
18 and

19 d. It is necessary and in the public interest for the Legislature
20 to create a method of ensuring compliance by age-restricted
21 communities with federal law.

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23 2. Notwithstanding any law or governing document to the
24 contrary, the purchaser or grantee by operation of law of a dwelling
25 unit in an age-restricted community shall be required to certify,
26 prior to the resale or transfer by operation of law of a dwelling unit
27 within the community, that the dwelling unit will be occupied by a
28 person of an age that ensures compliance with the "housing for
29 older persons" exception from the federal "Fair Housing
30 Amendments Act of 1988," Pub.L. 100-430 (42 U.S.C. ss.3601 et
31 seq.) for that community as set forth in section 100.301 of Title 24,
32 Code of Federal Regulations. The certification shall be on such
33 form as may be prescribed by the Commissioner of Community
34 Affairs, but shall not exceed one page in length. A copy of the
35 certification shall be provided to the purchaser for recording. For
36 the purpose of P.L. , c. (C.) (pending before the
37 Legislature as this bill), "resale" shall mean any sale of a dwelling
38 unit within an age-restricted community, other than the initial sale
39 of the unit made by the developer to a purchaser.

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41 3. No deed shall be recorded with a county recording office for
42 a property to which an age restriction applies unless the
43 certification required pursuant to P.L. , c. (C.) (pending
44 before the Legislature as this bill) accompanies such filing and is
45 recorded with the deed as an addendum thereto.

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47 4. This act shall take effect immediately.

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STATEMENT

This bill ensures better compliance with provisions of federal law by inhibiting improper sales or transfers of properties which are located in retirement communities to persons who are not age-qualified to reside in such communities. Federal law permits the existence of age-restricted communities as an exception known as “housing for older persons” to the anti-discrimination provisions of the “Fair Housing Amendments Act of 1988,” provided that certain quotas are maintained of age-appropriate persons occupying the premises. For communities which were organized by a developer to restrict occupancy to persons aged 62 or older, 100 percent of the occupants must be aged 62 or older. For communities which were organized by a developer to house persons age 55 and over, at least 80 percent of the residents (and one per each household) must be aged 55 or older.

The bill requires the purchaser or grantee, by operation of law, of a dwelling unit in an age-restricted community to certify, prior to resale or transfer of the unit, that the unit will be occupied by a person whose age complies with federal law. The certification, which may not exceed one page in length, would be recorded as an addendum to the deed, in the appropriate county recording office. A person purchasing a dwelling unit in an age-restricted community, other than from the developer, or a person taking ownership in any other manner could not record a deed without the certification required by the bill.