

PENNSYLVANIA “SUPER-PRIORITY” LIEN LAW SIGNED --- EFFECTIVE JULY, 2008

Introduced in early March, 2008, [House Bill 2295](#) concerned condominium associations' statutory entitlement to the “super-priority” lien for assessments. Approved by the Governor July 4, 2008, this law (Act No. 49) was effective upon approval, so this law is effective as of July 7, 2008.

House Bill 2295 amends the Pennsylvania Uniform Condominium Act by affirming condominium associations' statutory entitlement to the “super-priority” lien for assessments payable by condominium unit owners and the significant source of revenue generated when a condo unit is sold at a judicial sale. This legislation restores language that was inadvertently dropped from the final version of the so-called "Trilogy Amendments" to Pennsylvania's three common interest ownership 2004 statutes:

[House Bill 1329, Act No. 189](#)

[House Bill 1330, Act No. 190](#)

[House Bill 1331, Act No. 191](#)

CAI's Pennsylvania Legislative Action Committee (PA LAC) supported passage of House Bill 2295, and was especially active on this issue since this was one of the LAC's top legislative priorities. The LAC circulated a [position paper](#) regarding this bill, explaining that the amendment of the 2004 Act:

... changed the computation of the six (6) month period from the date immediately preceding institution of the foreclosing lender's suit against the unit owner to the six (6) months immediately preceding the date of the judicial sale. However, the original language "only to the extent that the six (6) months unpaid assessments are paid out of the proceeds of the sale," was erroneously dropped from this subsection. This language remained intact in both the Uniform Planned Community Act ("UPCA") and the Real Estate Cooperative Act ("RECA"). The inadvertent removal of this critical language has caused, and will likely cause in the future, condominium associations to lose their statutory entitlement to this important lien and significant source of revenue when a unit is sold at a judicial sale. This Amendment is designed to restore that lien priority, bring the Act into conformity with the UPCA and RECA and cure the defect in the recent amendment to the Act.

The final legislation also incorporated [SB 963](#), which the LAC supported (see its [position statement](#) on this bill). SB 963 proposed to facilitate the adoption of the state's Uniform

Condominium Act by condominium associations originally formed under the Unit Property Act.

For more information about these bills and other legislative developments, please visit the LAC's [Advocacy](#) page.