



by Jack Carr, P.E., LEED-AP



Firsts in Maine

The Cutting Edge of Condo Issues

Maine has experienced a number of firsts in the condo world from the early introduction of the modern day condominium to new laws and condominium projects focused on the unique requirements and needs of residents.

New Condominium Development

Construction has begun in South Portland's Knightville's neighborhood to develop the first condominium in Maine for developmentally disabled adults. A three-story, 6,000-square-foot commercial building is being converted into a nine-unit condominium complex including two units for live-in staff members.

The facility will be managed by Specialized Housing Inc., a Massachusetts-based nonprofit that helps families develop and manage similar facilities. This agency first established a similar facility in Brookline, Mass., 25 years ago. Interestingly enough, this initial core of members still live together as a household at this complex.

This is a \$1.2 million private sector pilot program project that is partially funded with \$40,000 being provided by Maine's Department of Health and Human Services. Three families have contributed \$35,000 each toward construction costs with these families receiving a \$50,000 loan from South Portland.

To date, four families have bought bedrooms that range in price from \$135,000 to \$150,000. The complex includes shared bathrooms and common areas. The live-in staff members are onsite to provide

emotional support and life skills coaching when required. The building's location at Knightville offers its residents easy access to nearby amenities of shopping, parks, transportation, walking trails and restaurants.

Typically, families have been attracted to this method of care for their members to avoid having to put them in a group home or an apartment without any supervision. This allows the developmentally challenged adult to acquire a sense of pride and independence.

New Laws

The second bit of news in Maine is the enactment of a law to amend the Maine Condominium Act regarding Escrow of Assessments. This act can be found in Sec. 1.33 MRSA 1603-115-A. The act became effective Sept. 12, 2009.

Under this law, the association may require that a person who purchased a unit after Oct. 1, 2009 to make payments into an escrow account for that unit until it is equal to six months of assessments as established under section 1603-115.

All assessment payments must be held in an account of a bank or other financial institution under terms that place these assessment payments beyond the claim of creditors of the association. Upon request of a unit owner, the association shall disclose the name of the institution and the account number where these assessment payments are being held. An association may use a single escrow account to hold assessment payments made under this act from all of the unit owners. The association will pay interest on

this escrow account and will return the assessment payments together with interest earned to the unit owner when the owner sells the unit and has fully paid all assessments under the law. The association may use the balance in the account to offset any assessments remaining unpaid. The assessment payments may be used by the association to cover up to six months of the costs attributable to a unit for which assessment payments have not been made.

New Theory of Real Estate Ownership

Speaking of firsts, many Mainers believe the first condo in the United States was developed on a small island just off the coast of Maine in 1890. However, this development was based on English common law that recognized real estate ownership only on land whereas the Napoleonic Code recognized unit owner rights that were not based on land thus setting the stage for today's modern theory of condominium ownership.

The actual first condominium law passed was in the Commonwealth of Puerto Rico in 1958, with the first condominium being built in Utah in 1960. Though these facts probably will not win a trivia game, your remembering that the term condominium was first used in Roman times just might. ☐

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