

AMENDMENTS TO LB808

Introduced by Lindstrom, 18.

1 1. Insert the following new sections:

2 Sec. 40. Section 25-223, Reissue Revised Statutes of Nebraska, is
3 amended to read:

4 25-223 (1) Any action to recover damages based on any alleged
5 breach of warranty on improvements to real property or based on any
6 alleged deficiency in the design, planning, supervision, or observation
7 of construction, or construction of an improvement to real property,
8 except improvements to real property subject to the Nebraska Condominium
9 Act, shall be commenced within four years after any alleged act or
10 omission constituting such breach of warranty or deficiency. If such
11 cause of action is not discovered and could not be reasonably discovered
12 within such four-year period, or within one year preceding the expiration
13 of such four-year period, then the cause of action may be commenced
14 within two years from the date of such discovery or from the date of
15 discovery of facts which would reasonably lead to such discovery,
16 whichever is earlier. In no event may any action be commenced to recover
17 damages for an alleged breach of warranty on improvements to real
18 property or deficiency in the design, planning, supervision, or
19 observation of construction, or construction of an improvement to real
20 property more than ten years beyond the time of the act giving rise to
21 the cause of action.

22 (2)(a) Any action to recover damages based on any alleged breach of
23 warranty on improvements to real property or based on any alleged
24 deficiency in the design, planning, supervision, or observation of
25 construction, or construction of an improvement to real property that is
26 a condominium or part of a condominium project subject to the Nebraska
27 Condominium Act shall be commenced within two years after any alleged act

1 or omission constituting such breach of warranty or deficiency. If such
2 cause of action is not discovered and could not be reasonably discovered
3 within such two-year period, or within one year preceding the expiration
4 of such two-year period, then the cause of action may be commenced within
5 one year from the date of such discovery or from the date of discovery of
6 facts which would reasonably lead to such discovery, whichever is
7 earlier. In no event may any action be commenced to recover damages for
8 an alleged breach of warranty on improvements to real property or
9 deficiency in the design, planning, supervision, or observation of
10 construction, or construction of an improvement to real property more
11 than five years beyond the time of the act giving rise to the cause of
12 action.

13 (b) Any action brought under this section shall also comply with
14 section 76-890.

15 Sec. 41. Section 76-842, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 76-842 (a) The declaration for a condominium must contain:

18 (1) the name of the condominium, which must include the word
19 condominium or be followed by the words a condominium, and the name of
20 the association;

21 (2) the name of every county in which any part of the condominium is
22 situated;

23 (3) a legally sufficient description of the real estate included in
24 the condominium;

25 (4) a statement of the anticipated number of units which the
26 declarant reserves the right to create, subject to an amendment of the
27 declaration to add more units pursuant to the Nebraska Condominium Act;

28 (5) a description of the boundaries of each unit created by the
29 declaration, including the unit's identifying number;

30 (6) a description of any limited common elements, other than those
31 specified in subdivision (b)(8) of section 76-846;

1 (7) a general description of any development rights and other
2 special declarant rights defined in subdivision subsection (23) of
3 section 76-827 reserved by the declarant;

4 (8) an allocation to each unit of the allocated interests in the
5 manner described in section 76-844;

6 (9) any restrictions on use, occupancy, and alienation of the units;
7 ~~and~~

8 (10) for a condominium project with more than fifteen units,
9 exclusive of common area, a plan prepared by a licensed engineer or
10 architect for the preventive maintenance of the condominium and all
11 common elements therein, including, but not limited to, depreciation
12 studies and reserve analyses, an annually updated five-year capital plan,
13 and minimum financial reserves based on the reserve analyses; and

14 (11) (10) all matters required by sections 76-843 to 76-846, 76-852,
15 and 76-853, and subsection (d) of section 76-861.

16 (b) Except as otherwise provided in section 76-856, the declaration
17 may contain any other matters the declarant deems appropriate.

18 Sec. 42. Section 76-844, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 76-844 (a) The declaration shall allocate a fraction or percentage
21 of undivided interests in the common elements and in the common expenses
22 of the association, and a portion of the votes in the association, to
23 each unit and state the formulas used to establish those allocations.
24 ~~Those allocations may not discriminate in favor of units owned by the~~
25 ~~declarant.~~

26 (b) If units may be added to or withdrawn from the condominium, the
27 declaration must state the formulas to be used to reallocate the
28 allocated interests among all units included in the condominium after the
29 addition or withdrawal.

30 (c) The declaration may provide: (i) that different allocations of
31 votes shall be made to the units on particular matters specified in the

1 declaration; (ii) for cumulative voting only for the purpose of electing
2 members of the executive board; and (iii) for class voting on specified
3 issues affecting the class if necessary to protect valid interests of the
4 class. A declarant may not utilize cumulative or class voting for the
5 purpose of evading any limitation imposed on declarants by the Nebraska
6 Condominium Act ~~sections 76-825 to 76-894~~, nor may units constitute a
7 class because they are owned by a declarant.

8 (d) Except for minor variations due to rounding, the sum of the
9 undivided interests in the common elements and common expense liabilities
10 allocated at any time to all the units must equal one if stated as
11 fractions or one hundred percent if stated as percentages. In the event
12 of discrepancy between an allocated interest and the result derived from
13 application of the pertinent formula, the allocated interest prevails.

14 (e) The common elements are not subject to partition, and any
15 purported conveyance, encumbrance, judicial sale, or other voluntary or
16 involuntary transfer of an undivided interest in the common elements made
17 without the unit to which that interest is allocated, is void.

18 Sec. 43. Section 76-854, Reissue Revised Statutes of Nebraska, is
19 amended to read:

20 76-854 (a) Except in cases of amendments that may be executed by (1)
21 a declarant under subsection (f) of section 76-846 or under section
22 76-847, (2) the association under section 76-831 or 76-850, subsection
23 (d) of section 76-843, subsection (c) of section 76-845, or subsection
24 (a) of section 76-849, or (3) certain unit owners under subsection (b) of
25 section 76-845, subsection (a) of section 76-849, subsection (b) of
26 section 76-850, or subsection (b) of section 76-855, and except as
27 limited by subsection (d) of this section, the declaration, including the
28 plats and plans, may be amended only by vote or agreement of unit owners
29 of units to which at least sixty-seven percent of the votes in the
30 association are allocated or any larger majority the declaration
31 specifies up to eighty percent of the votes in the association exclusive

1 of the declarant. The declaration may specify a smaller number only if
2 all of the units are restricted exclusively to nonresidential use.

3 (b) No action to challenge the validity of an amendment adopted by
4 the association pursuant to this section may be brought more than one
5 year after the amendment is recorded.

6 (c) Every amendment to the declaration must be recorded in every
7 county in which any portion of the condominium is located and is
8 effective only upon recordation.

9 (d) Except to the extent expressly permitted or required by other
10 provisions of the Nebraska Condominium Act, no amendment may create or
11 increase special declarant rights, increase the number of units, or
12 change the boundaries of any unit, the allocated interests of a unit, or
13 the uses to which any unit is restricted in the absence of the unanimous
14 consent of the unit owners. In addition, no amendment may change the
15 boundaries of any unit, increase the allocated interests of any unit, or
16 change the uses to which any unit is restricted, without the consent of
17 the owner of the unit.

18 (e) Amendments to the declaration required by the act to be recorded
19 by the association shall be prepared, executed, recorded, and certified
20 on behalf of the association by any officer of the association designated
21 for that purpose or, in the absence of designation, by the president of
22 the association.

23 Sec. 44. Section 76-857, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 76-857 (a) If the declaration for a condominium provides that any of
26 the powers described in section 76-860 are to be exercised by or may be
27 delegated to a profit or nonprofit corporation, or unincorporated
28 association, which exercises those or other powers on behalf of one or
29 more condominiums or for the benefit of the unit owners of one or more
30 condominiums, all provisions of the Nebraska Condominium Act ~~sections~~
31 ~~76-825 to 76-894~~ applicable to unit owners associations apply to any such

1 corporation or unincorporated association, except as modified by this
2 section. However, in no case shall the declaration provide that the power
3 to institute or intervene as a plaintiff in litigation or administrative
4 proceedings, other than litigation or administrative proceedings to
5 enforce covenants, bylaws, or rules against unit owners or the unit
6 owners association, be delegated to or exercised by any party other than
7 the unit owners or the declarant.

8 (b) Unless a master association is acting in the capacity of an
9 association described in section 76-859, it may exercise the powers set
10 forth in subdivision (a)(2) of section 76-860 only to the extent
11 expressly permitted in the declarations of condominiums which are part of
12 the master association or expressly described in the delegations of power
13 from those condominiums to the master association.

14 (c) If the declaration of any condominium provides that the
15 executive board may delegate certain powers to a master association, the
16 members of the executive board have no liability for the acts or
17 omissions of the master association with respect to those powers
18 following delegation.

19 (d) The rights and responsibilities of unit owners with respect to
20 the unit owners association set forth in sections 76-861, 76-866 to
21 76-868, and 76-870 apply in the conduct of the affairs of a master
22 association only to those persons who elect the board of a master
23 association, whether or not those persons are otherwise unit owners
24 within the meaning of the act ~~sections 76-825 to 76-894.~~

25 (e) Notwithstanding the provisions of subsection (f) of section
26 76-861 with respect to the election of the executive board of an
27 association, by all unit owners after the period of declarant control
28 ends, and even if a master association is also an association described
29 in section 76-859, the articles of incorporation or other instrument
30 creating the master association and the declaration of each condominium
31 the powers of which are assigned by the declaration or delegated to the

1 master association may provide that the executive board of the master
2 association must be elected after the period of declarant control in any
3 of the following ways:

4 (1) All unit owners of all condominiums subject to the master
5 association may elect all members of that executive board.

6 (2) All members of the executive boards of all condominiums subject
7 to the master association may elect all members of that executive board.

8 (3) All unit owners of each condominium subject to the master
9 association may elect specified members of that executive board.

10 (4) All members of the executive board of each condominium subject
11 to the master association may elect specified members of that executive
12 board.

13 Sec. 45. Section 76-859, Reissue Revised Statutes of Nebraska, is
14 amended to read:

15 76-859 A unit owners association must be organized no later than the
16 date the units first-unit in the condominium equal to one-half of the
17 total number of units plus one are is conveyed. The membership of the
18 association at all times shall consist exclusively of all the unit owners
19 or, following termination of the condominium, of all former unit owners
20 entitled to distributions of proceeds under section 76-855 or their
21 heirs, successors, or assigns. The association shall be organized as a
22 profit or nonprofit corporation or as an unincorporated association.

23 Sec. 46. Section 76-860, Reissue Revised Statutes of Nebraska, is
24 amended to read:

25 76-860 (a) Except as provided in subsection (b) of this section and
26 subject to the provisions of the declaration, the association, even if
27 unincorporated, may:

28 (1) Adopt and amend bylaws and rules and regulations;

29 (2) Adopt and amend budgets for revenue, expenditures, and reserves
30 and collect assessments for common expenses from unit owners;

31 (3) Hire and discharge managing agents and other employees, agents,

1 and independent contractors;

2 (4) Institute, ~~defend,~~ or intervene as a plaintiff in litigation or
3 administrative proceedings, other than litigation or administrative
4 proceedings to enforce covenants, bylaws, or rules against unit owners or
5 the unit owners association, in its own name on behalf of itself or two
6 or more unit owners on matters affecting the condominium upon the
7 affirmative vote of at least eighty percent of the votes in the
8 association exclusive of the declarant;

9 (5) Make contracts and incur liabilities;

10 (6) Regulate the use, maintenance, repair, replacement, and
11 modification of common elements;

12 (7) Cause additional improvements to be made as a part of the common
13 elements;

14 (8) Acquire, hold, encumber, and convey in its own name any right,
15 title, or interest to real or personal property, but common elements may
16 be encumbered, conveyed, or subjected to a security interest only
17 pursuant to section 76-870;

18 (9) Grant easements, leases, licenses, and concessions through or
19 over the common elements;

20 (10) Impose and receive any payments, fees, or charges for the use,
21 rental, or operation of the common elements, other than limited common
22 elements described in subdivisions (2) and (4) of section 76-839, and for
23 services provided to unit owners;

24 (11) Impose charges for late payment of assessments and, after
25 notice and opportunity to be heard, levy reasonable fines for violations
26 of the declaration, bylaws, and rules and regulations for the
27 association;

28 (12) Impose reasonable charges for the preparation and recordation
29 of amendments to the declaration, resale statements required by section
30 76-884, or statements of unpaid assessments;

31 (13) Provide for the indemnification of its officers and executive

1 board and maintain directors' and officers' liability insurance;

2 (14) Assign its right to future income, including the right to
3 receive common expense assessments, but only to the extent the
4 declaration expressly so provides;

5 (15) Exercise any other powers conferred by the declaration or
6 bylaws;

7 (16) Exercise all other powers that may be exercised in this state
8 by legal entities of the same type as the association; and

9 (17) Exercise any other powers necessary and proper for the
10 governance and operation of the association.

11 (b) The declaration may not impose limitations on the power of the
12 association to deal with the declarant which are more restrictive than
13 the limitations imposed on the power of the association to deal with
14 other persons.

15 Sec. 47. Section 76-861, Revised Statutes Supplement, 2019, is
16 amended to read:

17 76-861 (a) Except as provided in the declaration, the bylaws,
18 subsection (b) of this section, or other provisions of the Nebraska
19 Condominium Act, the executive board may act in all instances on behalf
20 of the association. In the performance of their duties, the officers and
21 members of the executive board are required to exercise ordinary and
22 reasonable care.

23 (b) The executive board may not act on behalf of the association to
24 commence litigation on behalf of the unit owners or the unit owners
25 association, to amend the declaration pursuant to section 76-854, to
26 terminate the condominium pursuant to section 76-855, or to elect members
27 of the executive board or determine the qualifications, powers and
28 duties, or terms of office of executive board members pursuant to
29 subsection (f) of this section, but the executive board may fill
30 vacancies in its membership for the unexpired portion of any term.

31 (c) Within thirty days after adoption of any proposed budget for the

1 condominium, the executive board shall provide a summary of the budget to
2 all the unit owners, and shall set a date for a meeting of the unit
3 owners to consider ratification of the budget not less than fourteen nor
4 more than thirty days after mailing of the summary. Unless at that
5 meeting a majority of all votes in the association or any larger vote
6 specified in the declaration reject the budget, the budget is ratified,
7 whether or not a quorum is present. In the event the proposed budget is
8 rejected, the periodic budget last ratified by the unit owners shall be
9 continued until such time as the unit owners ratify a subsequent budget
10 proposed by the executive board.

11 (d) Subject to subsection (e) of this section, the declaration may
12 provide for a period of declarant control of the association, during
13 which period a declarant, or persons designated by him or her, may
14 appoint and remove the officers and members of the executive board.
15 Regardless of the period provided in the declaration, a period of
16 declarant control terminates no later than the earlier of: (i) Sixty days
17 after conveyance of ninety percent of the units which may be created to
18 unit owners other than a declarant; or (ii) two years after all
19 declarants have ceased to offer units for sale in the ordinary course of
20 business. A declarant may voluntarily surrender the right to appoint and
21 remove officers and members of the executive board before termination of
22 that period, but in that event he or she may require, for the duration of
23 the period of declarant control, that specified actions of the
24 association or executive board, as described in a recorded instrument
25 executed by the declarant, be approved by the declarant before they
26 become effective. Successor boards following declarant control may not
27 discriminate nor act arbitrarily with respect to units still owned by a
28 declarant or a successor declarant.

29 (e) Not later than sixty days after conveyance of fifty ~~twenty-five~~
30 percent of the units which may be created to unit owners other than a
31 declarant, at least one member and not less than twenty-five percent of

1 the members of the executive board shall be elected exclusively by unit
2 owners other than the declarant. ~~Not later than sixty days after~~
3 ~~conveyance of fifty percent of the units which may be created to unit~~
4 ~~owners other than a declarant, not less than thirty-three and one-third~~
5 ~~percent of the members of the executive board shall be elected~~
6 ~~exclusively by unit owners other than the declarant.~~

7 (f) Not later than the termination of any period of declarant
8 control, the unit owners shall elect an executive board of at least three
9 members, at least a majority of whom must be unit owners. The executive
10 board shall elect the officers. The executive board members and officers
11 shall take office upon election.

12 (g) Notwithstanding any provision of the declaration or bylaws to
13 the contrary, the unit owners, by a two-thirds vote of all persons
14 present and entitled to vote at any meeting of the unit owners at which a
15 quorum is present, may remove any member of the executive board with or
16 without cause, other than a member appointed by the declarant.

17 (h) The association shall file with the register of deeds of the
18 county in which the condominium is located a condominium statement
19 listing the name of the association and the names and addresses of the
20 current officers of the association. Such filing shall be made every year
21 on or before December 31. The receipt of any legal notice by or service
22 of process on such officer personally or at such officer's filed address
23 shall constitute notice to the association. If the association fails to
24 make the filing required by this subsection, the posting of the legal
25 notice or process at the entrance, main office, or other prominent
26 location in the common area of the condominium shall constitute notice to
27 the association until such filing is made.

28 Sec. 48. Section 76-867, Reissue Revised Statutes of Nebraska, is
29 amended to read:

30 76-867 (a) Unless the bylaws provide otherwise, a quorum is present
31 throughout any meeting of the association if persons entitled to cast

1 ~~thirty-five~~ ~~twenty~~ percent of the votes which may be cast for election of
2 the executive board are present in person or by proxy at the beginning of
3 the meeting.

4 (b) Unless the bylaws specify a larger percentage, a quorum is
5 deemed present throughout any meeting of the executive board if persons
6 entitled to cast fifty percent of the votes on that board are present at
7 the beginning of the meeting.

8 Sec. 49. Section 76-869, Reissue Revised Statutes of Nebraska, is
9 amended to read:

10 76-869 (a) Neither the association nor any unit owner except the
11 declarant is liable for that declarant's torts in connection with any
12 part of the condominium which that declarant has the responsibility to
13 maintain. Otherwise, an action alleging a wrong done by the association
14 must be brought against the association and not against any unit owner.
15 If the wrong occurred during any period of declarant control and the
16 association gives the declarant reasonable notice of and an opportunity
17 to defend against the action, the declarant who then controlled the
18 association is liable to the association or to any unit owner only ~~:(i)~~
19 ~~For all tort losses not covered by insurance suffered by the association~~
20 ~~or that unit owner, and (ii) for all costs which the association would~~
21 ~~not have incurred but for a breach of contract or other negligent~~
22 ~~wrongful act or omission by the declarant. Whenever the declarant is~~
23 ~~liable to the association under this section, the declarant is also~~
24 ~~liable for all litigation expenses, including reasonable attorney's fees,~~
25 ~~incurred by the association. Any statute of limitation affecting the~~
26 ~~association's right of action under this section is tolled until the~~
27 ~~period of declarant control terminates.~~ A unit owner is not precluded
28 from bringing an action contemplated by this section because he or she is
29 a unit owner or a member or officer of the association. Liens resulting
30 from judgments against the association are governed by section 76-875.

31 (b) The declarant shall not be liable for any action, loss, or cost

1 pursuant to this section if at the time the loss occurred, insurance
2 required by section 76-871 was in place.

3 Sec. 50. Section 76-870, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 76-870 (a) Portions of the common elements may be encumbered or
6 conveyed or otherwise subjected to a security interest by the association
7 if persons entitled to cast at least sixty-seven ~~eighty~~ percent of the
8 votes in the association, including sixty-seven ~~eighty~~ percent of the
9 votes allocated to units not owned by a declarant, or any larger
10 percentage the declaration specifies, agree to that action; but all the
11 owners of units to which any limited common element is allocated must
12 agree ~~in order~~ to encumber or convey that limited common element or
13 subject it to a security interest. The declaration may specify a smaller
14 percentage only if all of the units are restricted exclusively to
15 nonresidential uses. Proceeds of the sale are an asset of the
16 association.

17 (b) An agreement to encumber or convey common elements or subject
18 them to a security interest must be evidenced by the execution of an
19 agreement, or ratifications thereof, in the same manner as a deed, by the
20 requisite number of unit owners. The agreement must specify a date after
21 which the agreement will be void unless recorded before that date. The
22 agreement and all ratifications thereof must be recorded in every county
23 in which a portion of the condominium is situated and is effective only
24 upon recordation.

25 (c) The association, on behalf of the unit owners, may contract to
26 encumber or convey common elements or subject them to a security
27 interest, but the contract is not enforceable against the association
28 until approved pursuant to subsections (a) and (b) of this section.
29 Thereafter, the association has all powers necessary and appropriate to
30 effect the conveyance or encumbrance, including the power to execute
31 deeds or other instruments.

1 (d) Any purported conveyance, encumbrance, judicial sale, or other
2 voluntary transfer of common elements, unless made pursuant to this
3 section, is void.

4 (e) A conveyance or an encumbrance of common elements pursuant to
5 this section does not deprive any unit of its rights of access and
6 support.

7 (f) Unless the declaration otherwise provides, a conveyance or an
8 encumbrance of common elements pursuant to this section does not affect
9 the priority or validity of preexisting encumbrances.

10 Sec. 51. Section 76-884, Reissue Revised Statutes of Nebraska, is
11 amended to read:

12 76-884 (a) Except in the case of a sale where delivery of a public-
13 offering statement is required or unless exempt under subsection (b) of
14 section 76-878, the unit owner and any other person in the business of
15 selling real estate who offers a unit to a purchaser shall furnish to a
16 purchaser before conveyance a copy of the declaration other than the
17 plats and plans, the bylaws, the rules or regulations of the association,
18 and the following information:

19 (1) a statement setting forth the amount of the monthly common
20 expense assessment and any unpaid common expense or special assessment
21 currently due and payable from the selling unit owner;

22 (2) any other fees payable by unit owners;

23 (3) the most recent regularly prepared balance sheet and income and
24 expense statement, if any, of the association;

25 (4) the current operating budget of the association, if any;

26 (5) a statement that a copy of any insurance policy provided for the
27 benefit of unit owners is available from the association upon request;

28 ~~and~~

29 (6) a statement of the remaining term of any leasehold estate
30 affecting the condominium and the provisions governing any extension or
31 renewal thereof; and -

1 (7) a disclosure of any threatened or pending litigation involving
2 the unit or the association.

3 (b) The association, within ten days after a request by a unit
4 owner, shall furnish in writing the information necessary to enable the
5 unit owner to comply with this section. A unit owner providing
6 information pursuant to subsection (a) of this section is not liable to
7 the purchaser for any erroneous information provided by the association
8 and included in the certificate.

9 (c) A purchaser is not liable for any unpaid assessment or fee
10 greater than the amount set forth in the information prepared by the
11 association. The unit owner or any other person in the business of
12 selling real estate who offers a unit to a purchaser is not liable to a
13 purchaser for the failure or delay of the association to provide such
14 information in a timely manner.

15 Sec. 52. Section 76-890, Reissue Revised Statutes of Nebraska, is
16 amended to read:

17 76-890 (a) A judicial proceeding for breach of any obligation
18 arising under section 76-887 or 76-888 must be commenced within two ~~four~~
19 years after the cause of action accrues, but the parties may agree to
20 reduce the period of limitation to not less than one year ~~two years~~. With
21 respect to a unit that may be occupied for residential use, an agreement
22 to reduce the period of limitation must be evidenced by an instrument
23 executed by the purchaser. Prior to commencing any judicial proceeding
24 under this section, the person seeking to commence the judicial
25 proceeding must (1) provide written notice of the proposed proceeding and
26 the specific alleged defect or defects to the prospective defendant or
27 defendants and (2) give the prospective defendant or defendants at least
28 three months to cure the alleged defect or defects. If the defect or
29 defects are such that they cannot reasonably be cured within three
30 months, the cure period shall extend as long as the prospective defendant
31 has commenced and is diligently proceeding with repairs. Providing the

1 notice in this section in a manner reasonably understood to inform the
2 prospective defendant of the specific alleged defect or defects shall
3 toll any applicable statute of limitations until the alleged defect or
4 defects are cured. Any proceeding commenced without strict compliance
5 with this section is subject to dismissal for such noncompliance.

6 (b) Subject to subsection (c) of this section, a cause of action for
7 breach of warranty, regardless of the purchaser's lack of knowledge of
8 the breach, accrues:

9 (1) as to a unit, at the time the purchaser to whom the warranty is
10 first made enters into possession if a possessory interest was conveyed
11 or at the time of acceptance of the instrument of conveyance if a
12 nonpossessory interest was conveyed; and

13 (2) as to each common element, at the time the common element is
14 completed or, if later, (i) as to a common element that may be added to
15 the condominium or portion thereof, at the time the first unit therein is
16 conveyed to a bona fide purchaser, or (ii) as to a common element within
17 any other portion of the condominium, at the time the first unit in the
18 condominium is conveyed to a bona fide purchaser.

19 (c) If a warranty explicitly extends to future performance or
20 duration of any improvement or component of the condominium, the cause of
21 action accrues at the time the breach is discovered or at the end of the
22 period for which the warranty explicitly extends, whichever is earlier.

23 2. Renumber the remaining sections accordingly and correct the
24 operative date and repealer sections so that the sections added by this
25 amendment become operative three calendar months after adjournment of
26 this legislative session.