

By: Senator(s) Robertson

To: Rules

SENATE CONCURRENT RESOLUTION NO. 564

1 A CONCURRENT RESOLUTION SUSPENDING THE DEADLINES FOR THE
2 PURPOSE OF REQUESTING THE DRAFTING, INTRODUCTION, CONSIDERATION
3 AND PASSAGE OF A BILL ENTITLED "AN ACT TO CREATE CODE SECTIONS
4 89-9-39, 89-39-41 AND 89-9-43, MISSISSIPPI CODE OF 1972, TO
5 PROVIDE THAT IF A DEVELOPER CONTRACTS TO SELL A CONDOMINIUM PARCEL
6 AND THE CONSTRUCTION, FURNISHING AND LANDSCAPING OF THE PROPERTY
7 SUBMITTED OR PROPOSED TO BE SUBMITTED TO CONDOMINIUM OWNERSHIP HAS
8 NOT BEEN SUBSTANTIALLY COMPLETED, THE DEVELOPER SHALL BE REQUIRED
9 TO PAY INTO A SPECIAL ESCROW ACCOUNT PAYMENTS NOT TO EXCEED 10% OF
10 THE SALE PRICE THAT ARE RECEIVED BY THE DEVELOPER FROM THE BUYER
11 TOWARDS THE SALE PRICE; TO PROVIDE FOR THE RELEASE OF SUCH FUNDS
12 FROM ESCROW; TO PROVIDE THAT ALL PAYMENTS WHICH ARE IN EXCESS OF
13 10% OF THE SALE PRICE AND WHICH HAVE BEEN RECEIVED PRIOR TO
14 COMPLETION OF CONSTRUCTION BY THE DEVELOPER FROM THE BUYER ON A
15 CONTRACT FOR PURCHASE OF A CONDOMINIUM PARCEL SHALL BE HELD IN THE
16 SPECIAL ESCROW ACCOUNT; TO PROVIDE THAT THE DEVELOPER MAY WITHDRAW
17 ESCROW FUNDS IN EXCESS OF 10% OF THE PURCHASE PRICE FROM THE
18 SPECIAL ACCOUNT WHEN THE CONSTRUCTION OF IMPROVEMENTS HAS BEGUN,
19 AND HE MAY USE THE FUNDS IN THE ACTUAL CONSTRUCTION AND
20 DEVELOPMENT OF THE CONDOMINIUM PROPERTY IN WHICH THE UNIT TO BE
21 SOLD IS LOCATED; TO PROVIDE THAT NO PART OF SUCH FUNDS MAY BE USED
22 FOR SALARIES, COMMISSIONS, EXPENSES OF SALESPERSONS OR FOR
23 ADVERTISING PURPOSES; TO PROVIDE THAT CONTRACTS WHICH PERMIT USE
24 OF THE ADVANCE PAYMENTS FOR THE ACTUAL CONSTRUCTION AND
25 DEVELOPMENT OF THE CONDOMINIUM PROPERTY MUST INCLUDE A LEGEND TO
26 THAT EFFECT; TO PROVIDE THAT THE FAILURE OF THE DEVELOPER TO
27 COMPLY WITH SUCH PROVISIONS SHALL RENDER THE CONTRACT VOIDABLE BY
28 THE BUYER; TO PROVIDE THAT IF A DEVELOPER ENTERS INTO A
29 RESERVATION AGREEMENT, THE DEVELOPER SHALL PAY INTO AN ESCROW
30 ACCOUNT ALL RESERVATION DEPOSIT PAYMENTS; TO PROVIDE THAT A
31 RESERVATION DEPOSIT SHALL NOT BE RELEASED DIRECTLY TO THE
32 DEVELOPER EXCEPT AS A DOWN PAYMENT ON THE PURCHASE PRICE
33 SIMULTANEOUSLY WITH OR SUBSEQUENT TO THE EXECUTION OF A CONTRACT;
34 TO PROVIDE THAT THE WILLFUL FAILURE OF A DEVELOPER TO FOLLOW SUCH
35 REQUIREMENTS SHALL BE A FELONY; TO PROVIDE THE ENTITIES WITH WHOM
36 AN ESCROW ACCOUNT MAY BE ESTABLISHED; TO PROVIDE THAT THE
37 DEVELOPER SHALL BE DEEMED TO HAVE GRANTED TO THE PURCHASER OF EACH
38 UNIT CERTAIN IMPLIED WARRANTIES OF FITNESS AND MERCHANTABILITY FOR
39 THE PURPOSES OR USES INTENDED; TO PROVIDE THAT THE CONTRACTOR AND
40 ALL SUBCONTRACTORS AND SUPPLIERS SHALL BE REQUIRED TO GRANT TO THE
41 DEVELOPER AND TO THE PURCHASER OF EACH UNIT CERTAIN IMPLIED
42 WARRANTIES OF FITNESS AS TO THE WORK PERFORMED OR MATERIALS
43 SUPPLIED BY THEM; TO PROVIDE THAT ANY CONTRACT FOR THE SALE OF A
44 RESIDENTIAL CONDOMINIUM UNIT SHALL CONTAIN CERTAIN DISCLOSURES; TO
45 PROVIDE THAT UNTIL SUCH TIME AS THE DEVELOPER HAS FURNISHED
46 CERTAIN DOCUMENTS TO A PERSON WHO HAS ENTERED INTO A CONTRACT TO
47 PURCHASE A RESIDENTIAL UNIT, THE CONTRACT MAY BE VOIDED BY THAT
48 PERSON, ENTITLING THE PERSON TO A REFUND OF ANY DEPOSIT TOGETHER
49 WITH INTEREST; TO PROVIDE THAT IF RESIDENTIAL CONDOMINIUM PARCELS
50 ARE OFFERED FOR SALE PRIOR TO COMPLETION OF CONSTRUCTION OF THE
51 UNITS AND OF IMPROVEMENTS TO THE COMMON ELEMENTS, OR PRIOR TO
52 COMPLETION OF REMODELING OF PREVIOUSLY OCCUPIED BUILDINGS, THE

53 DEVELOPER SHALL MAKE AVAILABLE TO EACH PROSPECTIVE PURCHASER, FOR
54 HIS OR HER INSPECTION AT A PLACE CONVENIENT TO THE SITE, A COPY OF
55 THE COMPLETE PLANS AND SPECIFICATIONS FOR THE CONSTRUCTION OR
56 REMODELING OF THE UNIT OFFERED TO HIM AND OF THE IMPROVEMENTS TO
57 THE COMMON ELEMENTS APPURTENANT TO THE UNIT; TO PROVIDE THAT SALES
58 BROCHURES, IF ANY, SHALL BE PROVIDED TO EACH PURCHASER AND SHALL
59 CONTAIN CERTAIN CAVEATS; AND FOR RELATED PURPOSES."

60 BE IT RESOLVED BY THE SENATE OF THE STATE OF MISSISSIPPI, THE
61 HOUSE OF REPRESENTATIVES CONCURRING THEREIN, That the Joint Rules
62 of the Senate and the House are hereby suspended for the purpose
63 of requesting the drafting, introduction, consideration and
64 passage, regardless of any deadlines imposed by said rules, of a
65 bill entitled "AN ACT TO CREATE CODE SECTIONS 89-9-39, 89-39-41
66 AND 89-9-43, MISSISSIPPI CODE OF 1972, TO PROVIDE THAT IF A
67 DEVELOPER CONTRACTS TO SELL A CONDOMINIUM PARCEL AND THE
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