

# ACRELive! Top Ten Issues Common to Large Scale Multi-Year Projects and Mixed Use Projects

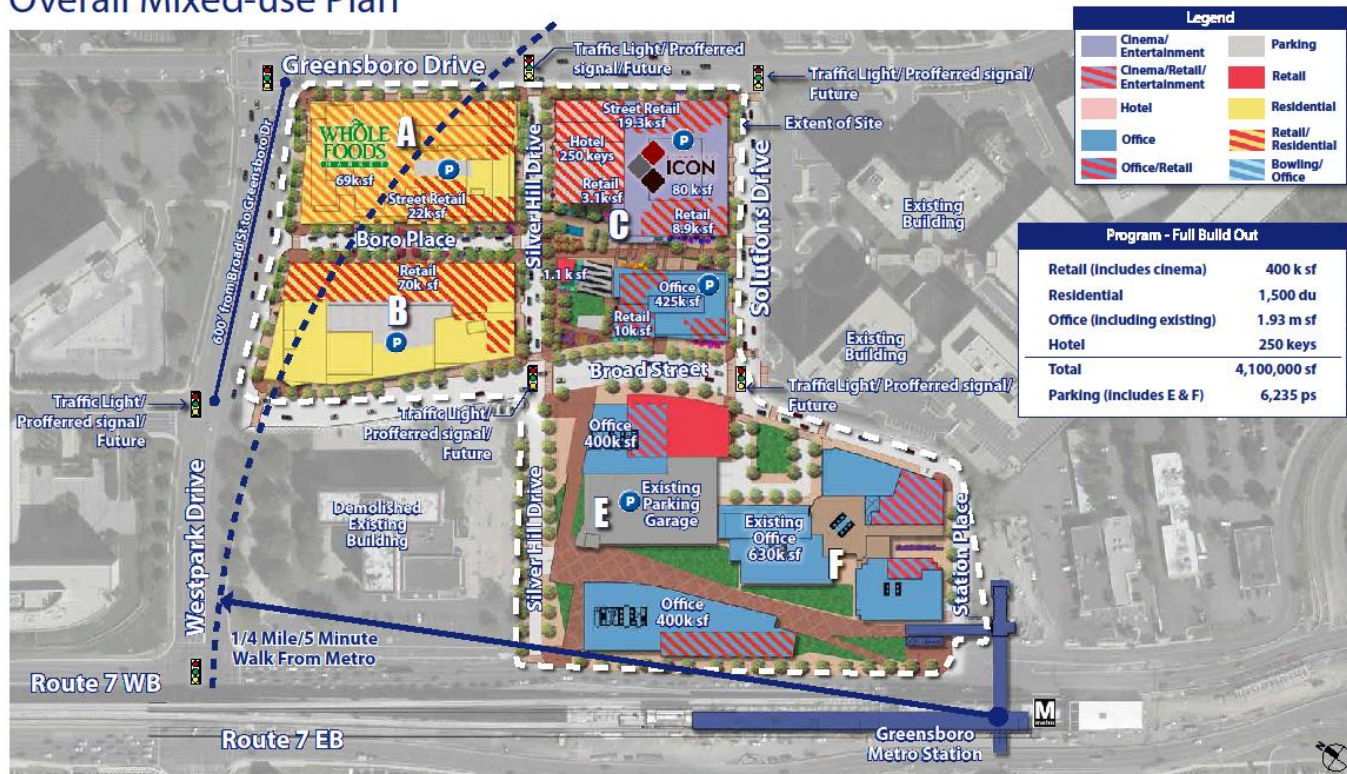
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# Sample Mixed Use Project

Overview of shared uses/ownership in a commercial mixed-use project.

Overall Mixed-use Plan



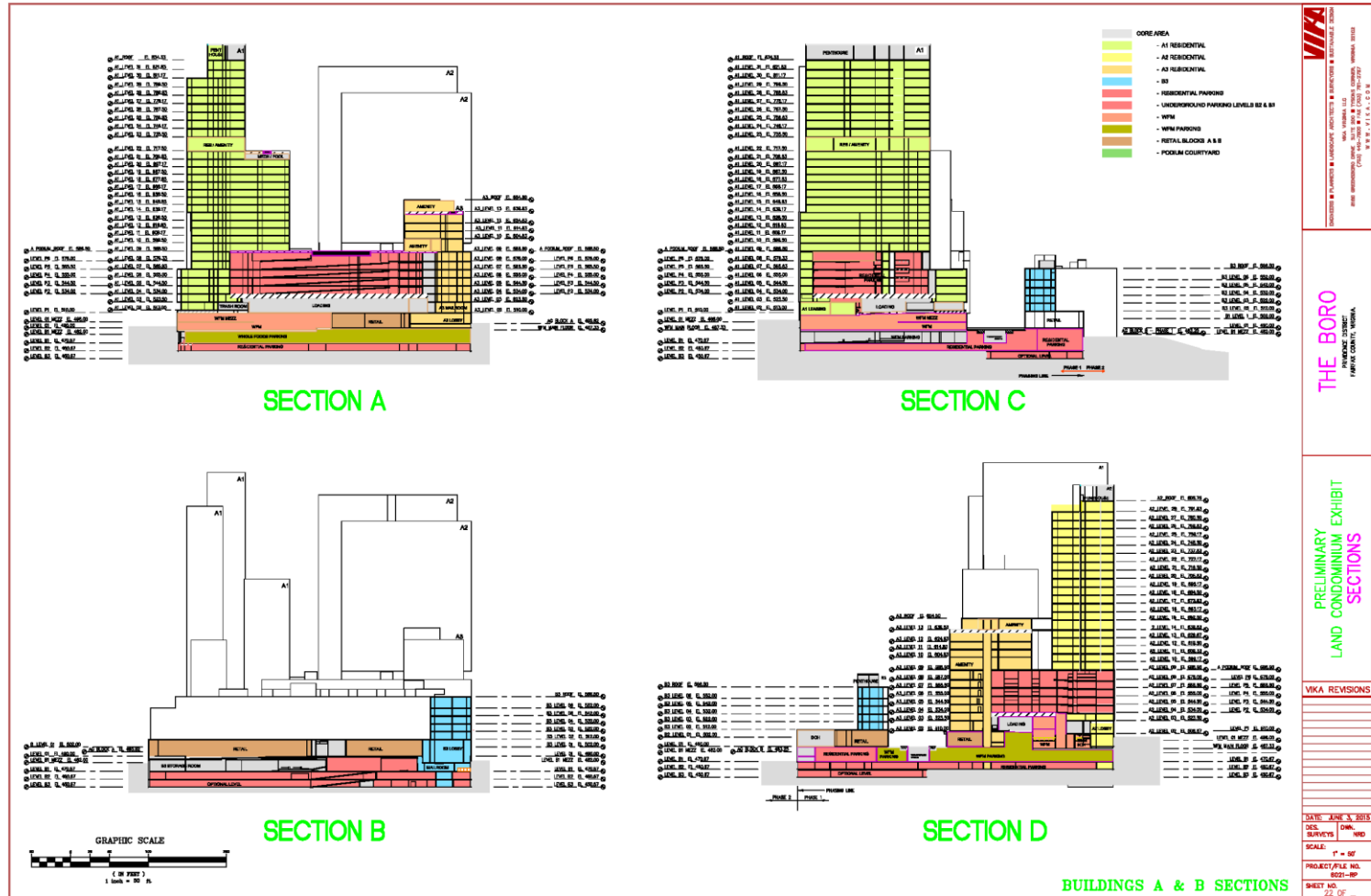
2  
January 2017

HR  
ESTAL

THE BORO

These plans are preliminary and subject to change through the design and technical processes.

THE  
MERIDIAN  
GROUP

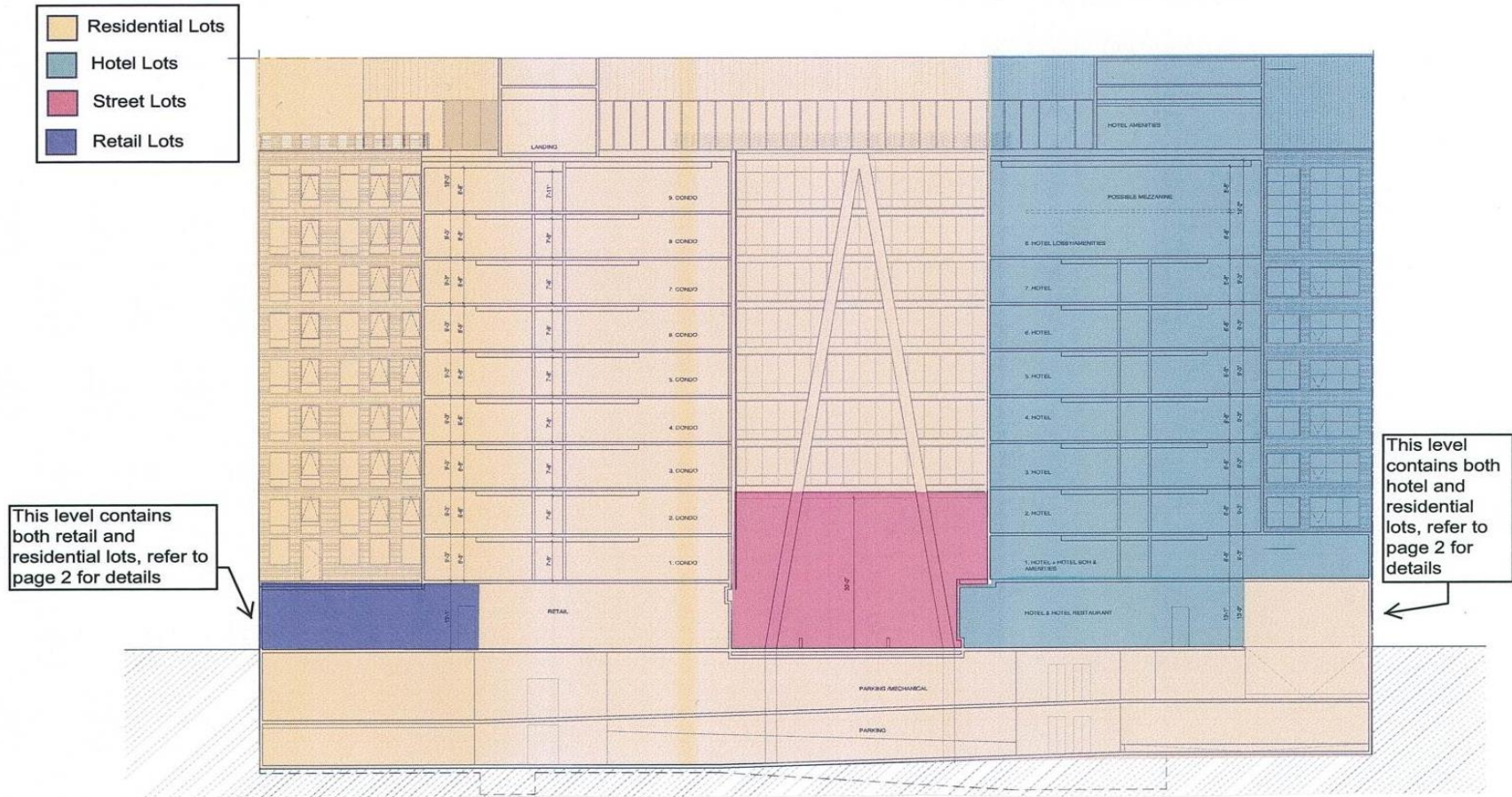









# Air Rights/Tax Lots





# **TOP 5 MIXED- USE/OWNERSHIP ISSUES**

# 1. Mixed-Ownership –current/ & future owners/stakeholders

- Developer/Titleholder
- Equity (JV Agreement)
- Mortgage Holder
- Component Owner (current and future)
- Equity Mortgage of Component Owner
- When/what they own influences many decisions including, timing, content, operation and control.



## 2. Form of Ownership

### **Condominium Regime**

- State Specific
- Pre- or post-construction
- Statutory requirements/limitations (e.g. warranty)
- Governance

### **Traditional Subdivision (if horizontal)**

### **Air-rights/Tax lots/Vertical Subdivision**

- Local law specific
- Pre- or post-construction
- REA

### **Combination**

- Master Condominium with sub-condo
- Land Condominium with REA
- Master (non-condo association vs. master REA)

# 3. Allocations

## **Ownership**

- Units
- Common Elements/Common Areas
- Lots

## **Governance**

- Covenants vs. Democracy
- What maintained by who

## **Cost Allocations**

- Percentage interests
- Alternative allocations
- Modification of cost allocations
- Limited Common Elements

## **Shared Use Areas**

- Condo plats to designate (what if no condo)
- Operation, maintenance, and governance of shared use areas
- Minimize shared use areas

## 4. Disputes

- Drafting – allocation of rights/responsibilities
- Money
- Use of property
- Residential for-sale condo
- Covenant enforcement
- Dispute resolution

# 5. The Other Issues

- Leases of units
- Post construction amendments
- Flexibility and control
- Lien and collection procedures
- Insurance
- Casualty loss
- Document amendments
- Lender rights

# Questions?

**STEP WITH CARE AND GREAT  
TACT, AND REMEMBER THAT  
LIFE'S A GREAT BALANCING ACT.**



~ DR. SEUSS

