

No. 51

AN ACT

Reenacting and amending the act of July 27, 1955 (P. L. 288), entitled as amended, "An act making it unlawful for owners of certain property in cities of the first class to sell or agree to sell such property without first delivering to the purchaser a certification of the District classification; and requiring such owners to insert in any agreement of sale of such property a statement concerning zoning classification and legality of the use of such property; and providing penalties for violations," extending the provisions of the act to cities of the second class.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Section 1. The title and sections 1, 2, 3, 3.1, 4 and 5, act of July 27, 1955 (P. L. 288), entitled, as amended, "An act making it unlawful for owners of certain property in cities of the first class to sell or agree to sell such property without first delivering to the purchaser a certification of the District classification; and requiring such owners to insert in any agreement of sale of such property a statement concerning zoning classification and legality of the use of such property; and providing penalties for violations," amended or added July 5, 1957 (P. L. 502), are reenacted and amended to read:

Cities of the first and second classes.

Title and sections 1, 2, 3, 3.1, 4 and 5, act of July 27, 1955, P. L. 288, amended or added July 5, 1957, P. L. 502, reenacted and amended.

An Act

Making it unlawful for owners of certain property in cities of the first class *and in cities of the second class* to sell or agree to sell such property without first delivering to the purchaser a certification of the District classification; and requiring such owners to insert in any agreement of sale of such property a statement concerning zoning classification and legality of the use of such property; and providing penalties for violations.

Title.

Section 1. Legislative Findings.—

(a) The General Assembly finds that in cities of the first class *and in cities of the second class* many owners of properties are using such properties in violation of the zoning ordinances and regulations of such cities, and are offering such properties for sale without revealing such illegal use. Many innocent purchasers of such properties are not aware of the illegal use until they have entered into agreements of sale or have consummated the purchase.

(b) In order to prevent undue hardships and losses imposed on such innocent purchasers by owners who have failed to reveal the illegal use of the property being

conveyed or who have made misrepresentations in that regard, the General Assembly finds and declares that in cities of the first class *and in cities of the second class* all sellers of property shall be required to advise the purchaser of the legal use of such property, and to deliver to the purchaser not later than at the settlement held for such property a use registration permit showing the legal use and zoning classification for such property.

Section 2. Definitions.—

(a) "Owner" means any person, co-partnership, association, corporation or fiduciary having legal, or equitable title, or any interest in any real property. Whenever used in any clause, prescribing or imposing a penalty, the term owner, as applied to co-partnerships and associations, shall mean the partners, or members thereof, and as applied to corporations, the officers thereof.

(b) "Property" means any building or structure situate in any city of the first class *or situate in any city of the second class*, except buildings or structures used, designed or intended to be used, exclusively, for single family or two-family occupancy, churches or other places of religious worship.

(c) "Agreement of sale" means any agreement, or written instrument, which provides that title to any property shall thereafter be transferred from one owner to another owner, and shall include inter alia written leases which contain options to purchase the leased property, and leases which provide that the lessee of the property shall acquire title thereto after the payment of a stipulated number of regular rent payments or after a stipulated period of time.

Section 3. Certificates of Zoning Classification.—In any city of the first class *and in any city of the second class* it shall be unlawful for any owner to sell his property, or any interest therein, unless the owner shall first deliver to the purchaser at or prior to the time for settlement a certification of the District classification, issued by the appropriate city officer indicating the zoning classification and the legality of the existing use of the property to be sold.

Section 3.1. Agreements of Sale.—

(a) Every owner shall insert in every agreement for the sale of property a provision showing the zoning classification of such property, and stating whether the present use of the property is in compliance with or in violation of zoning laws and ordinances.

(b) If any owner fails to include such a provision in an agreement for the sale of property, then in any action, at law or in equity, instituted by a purchaser against an

owner, it shall be conclusively presumed that the owner, at the time of the signing of such agreement, represented and warranted to the purchaser that such property was being used in compliance with the then existing zoning laws and ordinances.

Section 4. Non-Conforming Uses.—

A certificate from the appropriate city officer certifying that the property has been approved or designated as a non-conforming use shall be deemed compliance with this act.

Section 5. Penalties.—

Any owner who violates the provisions of section 3 of this act shall be guilty of a misdemeanor, and upon conviction thereof, shall be sentenced to pay a fine of not more than one thousand dollars, or undergo imprisonment for not more than one year, or both.

Section 2. This act shall take effect immediately.

Effective
immediately.

APPROVED—The 11th day of May, A. D. 1959.

DAVID L. LAWRENCE

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No. 52

AN ACT

Amending the act of February 9, 1901 (P. L. 3), entitled "An act to provide for increasing the capital stock and indebtedness of corporations," deleting certain requirements of corporate officers.

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:

Increase of corporate debt.

Section 1. Section 3, act of February 9, 1901 (P. L. 3), entitled "An act to provide for increasing the capital stock and indebtedness of corporations," amended July 11, 1957 (P. L. 769), is amended to read:

Section 3, act of February 9, 1901, P. L. 3, amended July 11, 1957, P. L. 769, further amended.

Section 3. That it shall be the duty of such corporation, if consent is given to such increase in capital stock, to file in the Office of the Secretary of the Commonwealth, within thirty days after such consent, a certificate of the president, a vice president, or the secretary, certifying the action taken by the stockholders in compliance with the preceding sections; and thereafter the increase may be made at such time or times as shall be determined by the directors. Upon the actual increase of the capital stock [or indebtedness] of such corporation, made pursu-

Shall file in the Office of the Secretary of the Commonwealth copy of certificate of consent.