ARIZONA H.O.A. CONDOMINIUM / PLANNED COMMUNITY ADDENDUM

Date: _____

PROPERTY INFORMATION

Seller: _____

Property Address: _____

The Premises is (check one): ☐ a condominium unit governed by A.R.S. § 33-1260 ☐ a property within a planned community governed by A.R.S. § 33-1806

The Premises is governed by more than one association: ☐ Yes ☐ No

H.O.A. DETAILS

H.O.A. Name: _____

Address: _____

Phone: _____ **E-Mail**: _____

Master Association Name (if any): _____

Address: _____

Phone: _____ **E-Mail**: _____

H.O.A. DUES

Dues: $_____

Due Date: ☐ Monthly ☐ Semi-Annually ☐ Annually ☐ Other: _____

Amount of Special Assessments (if any): $_____

How often? _____

Start Date: _____ **End Date**: _____

Special Assessment Approved but Not Yet Assessed (amount and purpose, including any submitted for owner approval within the previous four (4) months):
_____

FEES PAYABLE UPON CLOSE OF ESCROW

Transfer Fees (Association fees for transfer of title, including any title transfer fee or other similar fee, however denominated, that is authorized in the declaration. State the purpose of each fee):

- H.O.A.: $_____ Purpose: _____
- Master Association: $_____ Purpose: _____

Capital Improvement Fees (including but not limited to those fees labeled as community reserve, asset preservation, capital reserve, working capital, community enhancement, future improvement fees, or payments):

- H.O.A.: $_____
- Master Association: $_____

Prepaid Association Fees (Dues, assessments, and any other association(s) fees paid in advance of their due date):

- H.O.A.: $_____
- Master Association: $_____

Disclosure Fees (Association(s)/Management Company(ies) costs incurred in the preparation and delivery of the resale disclosure report or other documents furnished by the association(s) pursuant to the resale of the Premises for purposes of resale disclosure, lien estoppels and any other services related to the transfer or use of the property. Pursuant to Arizona law, Disclosure Fees cannot be more than an aggregate of $400.00 per association. Each association may charge a rush fee of no more than $100.00 if rush services are required to be performed within seventy-two (72) hours after the request for rush services. If thirty (30) days or more have passed since the date of the original disclosure report, the Seller may request that the association update the report, and the association may charge a document update fee of no more than $50.00. These fees may be collected no earlier than at the close of escrow and may be charged only once to the Seller for the transaction between the parties):

- H.O.A.: $_____
- Master Association: $_____

Other (describe): _____

- H.O.A.: $_____
- Master Association: $_____

SELLER'S ACKNOWLEDGMENT

By signing below, Seller certifies that the information contained above is true and complete to the best of the Seller's actual knowledge as of the date signed. Broker(s) did not verify any of the information contained herein.

Seller Signature: _____ Date: _____
Print Name: _____

ADDITIONAL OBLIGATIONS

If the association has fewer than fifty (50) units or properties. No later than ten (10) days after Contract acceptance, the Seller shall electronically transmit or deliver to the Buyer, or to the Buyer's designated agent, in either paper or electronic format, the information described below in accordance with Arizona law.

If the association has fifty (50) or more units or properties. Seller shall furnish to the association a written notice of the Seller's acceptance of the Buyer's offer to purchase, containing the **name, e-mail address, and mailing address** of the Buyer or the Buyer's designated agent, within five (5) days after Contract acceptance and pursuant to Section 3d of the Contract. Escrow Company is instructed to provide such notice on Seller's behalf. The association is obligated by Arizona law to electronically transmit or deliver the information described below to the Buyer, in either paper or electronic format, within ten (10) days after receipt of Seller's notice.

Buyer's name: _____

Buyer's e-mail address: _____

Buyer's mailing address:
_____

Information provided under the Required Disclosure below is based on the good faith reliance of the Seller or the association on association records or information, without any independent investigation or validation.

BUYER IS ALLOWED FIVE (5) DAYS AFTER RECEIPT OF THE INFORMATION FROM THE SELLER(S) OR THE ASSOCIATION TO PROVIDE WRITTEN NOTICE TO SELLER OF ANY ITEMS DISAPPROVED.

REQUIRED DISCLOSURE

Items marked **[Condominium only]** are required for condominium units under A.R.S. § 33-1260 and are not required for properties within a planned community under A.R.S. § 33-1806. All other items are required for both.

1. A copy of the current bylaws and the current rules of the association.

2. A copy of the current recorded declaration of Covenants, Conditions, and Restrictions (CC&R's) and the final plat, or an electronic copy of the final plat, if available.
3. A copy of the board-approved minutes from the previous three (3) open meetings of the board of directors.
4. A dated statement containing:
    a. The telephone number and address of a principal contact for the association, which may be an association manager, an association management company, an officer of the association or any other person designated by the board of directors.
    b. The amount of and payment schedule for the annual common expense assessment (condominium) or regular assessment (planned community), and the remaining installments and payment schedules on any approved and assessed special assessment, if any.
    c. The amount and purpose of any special assessment approved by the board of directors but not yet assessed, or any special assessment submitted by the board for owner or member approval within the previous four (4) months, if any.
    d. **[Condominium only]** Any known material deficiency or condition of the limited common elements associated with the unit, or of the common elements, known by the association, for which the Buyer will be liable for the directly assessed repair costs within six (6) months of the purchase, if any.
    e. The current amount of any unpaid common expense assessment lien (condominium) or regular assessment lien (planned community), or any judgment lien, on the unit or property due to the association pursuant to A.R.S. § 33-1256 (condominium) or § 33-1807 (planned community), and any lis pendens recorded by the association against the unit or property.
    f. The amount and purpose of any title transfer fee or other similar fee, however denominated, that is authorized in the declaration.
    g. A copy of the association's most recent income and expenses financial statement for all operating and reserve accounts, as applicable.
    h. Any outstanding and unresolved violation of the association's condominium or community documents that was cited against the unit or property, if any.
5. A copy of the current operating budget of the association.
6. A copy of the most recent annual audit, review or compilation report of the association prescribed by A.R.S. § 33-1243(J) (condominium) or A.R.S. § 33-1810 (planned community). If the report is more than ten (10) pages, the association may provide a summary of the report in lieu of the entire report.
7. A copy of the most recent reserve study of the association, if any. If the report is more than ten (10) pages, the association may provide a summary of the report in lieu of the entire report.
8. A statement summarizing any pending lawsuits, except those relating to the collection of assessments owed by owners or members other than the Seller, in

which the association is a named party, including the amount of any money claimed.

9. **[Condominium only]** A statement as to whether a portion of the unit is covered by insurance maintained by the association, and a copy of all insurance certificates identifying the coverage limits and deductibles maintained by the association pursuant to A.R.S. § 33-1253.
10. A statement as to whether the condominium or planned community is under declarant control and the approximate percentage of units or lots identified on the recorded plat that are currently owned by the declarant.
11. **[Condominium only]** A statement identifying whether any corporation or limited liability company owns and leases thirty-five percent (35%) or more of the units.
12. A statement that, for any report provided in summary format, the Buyer may request to view the entire report from the association directly, and that the association shall provide access to that report within ten (10) days after a written request.
13. The statement set out under BUYER'S STATUTORY ACKNOWLEDGMENT below, to be signed by the Buyer at the close of escrow.
14. If the unit or property is governed by multiple associations, a statement identifying that the unit or property is subject to each association's disclosure report and the corresponding resale disclosure fee.
15. Any other information required by law.

BUYER'S ACKNOWLEDGMENT

Buyer: _____

Seller: _____

Property Address: _____

To be completed by Buyer: (below)

The following additional terms and conditions are hereby included as a part of the Contract between the Seller and Buyer for the above referenced Premises.

Transfer Fees shall be paid by: ☐ Buyer ☐ Seller ☐ Other: _____

Capital Improvement Fees shall be paid by: ☐ Buyer ☐ Seller ☐ Other: _____

Additional Fees shall be paid by: ☐ Buyer ☐ Seller ☐ Other: _____

OTHER ACKNOWLEDGMENTS

Buyer and Seller make the following acknowledgments:

1. Buyer shall pay all Prepaid Association Fees.
2. Seller shall pay all Disclosure Fees as required by Arizona law.
3. In a financed purchase, Buyer shall be responsible for all lender fees charged to obtain Association(s)/Management Company(ies) documents.
4. BUYER VERIFICATION. Buyer may contact the Association(s)/Management Company(ies) for verbal verification of association fees payable upon close of escrow.
5. ASSESSMENTS: Any current homeowner's association assessment which is a lien as of Close of Escrow shall be paid in full by Seller. Any assessment that becomes a lien after Close of Escrow is Buyer's responsibility.
6. MULTIPLE ASSOCIATIONS: If the Premises is governed by more than one association, the Premises is subject to each association's disclosure report and to each association's corresponding resale disclosure fee.
7. SUMMARY REPORTS: Where the association has provided a summary of a report in lieu of the entire report, Buyer may request to view the entire report from the association directly, and the association shall provide access to that report within ten (10) days after a written request.

By signing below, Buyer acknowledges receipt of all pages of this addendum and acknowledges that, although Seller has used best efforts to identify the amount of the fees stated herein, the precise amount of the fees may not be known until written disclosure documents are furnished by the Association(s)/Management Company(ies) per Arizona law (A.R.S. § 33-1260 and § 33-1806). Buyer further acknowledges that Broker(s) did not verify any of the information contained herein. Buyer therefore agrees to hold Seller and Broker(s) harmless should the fees payable upon close of escrow prove incorrect or incomplete.

BUYER'S STATUTORY ACKNOWLEDGMENT

Arizona law requires the Buyer to sign the following statement at the close of escrow (A.R.S. § 33-1260(A)(13); A.R.S. § 33-1806(A)(11)):

"I hereby acknowledge that with the purchase of this home or property, I will be contractually bound to the valid covenants, conditions and restrictions of the recorded declaration, and will be contractually bound to pay all common expense assessments applied to my home or property as authorized in the declaration and title 33, chapter 9 or 16, Arizona Revised Statutes, as applicable. If I fail to pay common expense assessments, I may be subject to collection activity by the association up to and including foreclosure action, without the equity protection of the homestead act pursuant to title 33, chapter 8, Arizona Revised Statutes."

Buyer Signature: _____ Date: _____
Print Name: _____

Buyer Signature: _____ Date: _____

Print Name: _____

AUTHORIZATION

Buyer Signature: _____ Date: _____
Print Name: _____

Buyer Signature: _____ Date: _____
Print Name: _____

Seller Signature: _____ Date: _____
Print Name: _____

Seller Signature: _____ Date: _____
Print Name: _____