

## **RECOMMENDATION to Executive Committee**

**FROM:**

Risk Management Committee

**RECOMMENDATION:**

Approval of a revised H.O.A. Condominium / Planned Community Addendum

**BACKGROUND:**

Lines 75 through 81 of the H.O.A. Condominium / Planned Community Addendum are intended to be completed by the buyer. More specifically, the buyer is to review the fees identified by the seller on page one of the Addendum, at which point the buyer is to complete lines 75-81 as part of their offer identifying which party they propose pay which fees.

Contrary to its intended use, sellers are completing page 3 of the Addendum before the form is ever provided to the buyer. In an effort to stop this practice, on March 10<sup>th</sup> the Risk Management Committee voted to revise line 72 of the Addendum to state “NOTE: LINES 75-18 TO ONLY BE COMPLETED BY BUYER, AND NOT SELLER!”

(All line numbers within the form remain unchanged.)

**BUDGET IMPACT:**

None

**MOTION:**

**TO APPROVE FOR RELEASE ON OR ABOUT JUNE 1, 2020 THE ATTACHED REVISED PAGE 3 OF THE H.O.A. CONDOMINIUM / PLANNED COMMUNITY ADDENDUM.**

**FOR MORE INFORMATION CONTACT:**

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**BUYER'S ACKNOWLEDGMENT AND TERMS**

69. Buyer: \_\_\_\_\_

70. Seller: \_\_\_\_\_

71. Premises Address: \_\_\_\_\_

72. **NOTE: LINES 75-81 TO ONLY BE COMPLETED BY BUYER, AND NOT SELLER!**

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

74. **Transfer Fees** shall be paid by:  Buyer  Seller  Other: \_\_\_\_\_

75. **Capital Improvement Fees** shall be paid by:  Buyer  Seller  Other: \_\_\_\_\_

76. Buyer shall pay all **Prepaid Association Fees**.

77. Seller shall pay all **Disclosure Fees** as required by Arizona law.

78. In a financed purchase, Buyer shall be responsible for all lender fees charged to obtain Association(s)/Management Company(ies) documents.

79. **Other fees:** \_\_\_\_\_

80. \_\_\_\_\_

81. **BUYER VERIFICATION:** Buyer may contact the Association(s)/Management Company(ies) for verbal verification of association **FEES**

82. **PAYABLE UPON CLOSE OF ESCROW.**

83. **ASSESSMENTS:** Any current homeowner's association assessment which is a lien as of Close of Escrow shall be paid in full by Seller.

84. Any assessment that becomes a lien after Close of Escrow is Buyer's responsibility.

**ADDITIONAL TERMS AND CONDITIONS**

85. \_\_\_\_\_

86. \_\_\_\_\_

87. \_\_\_\_\_

88. \_\_\_\_\_

89. **BUYER ACKNOWLEDGMENT:** By signing below, Buyer acknowledges receipt of all three (3) 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 therein. Buyer therefore agrees to hold Seller and Broker(s) harmless should the **FEES PAYABLE UPON CLOSE OF ESCROW** prove incorrect or incomplete.

90. The undersigned agrees to the additional terms and conditions set forth above and acknowledges receipt of a copy hereof.

91. \_\_\_\_\_

92. ^ BUYER'S SIGNATURE MO/DA/YR ^ BUYER'S SIGNATURE MO/DA/YR

**SELLER'S ACCEPTANCE:**

93. \_\_\_\_\_

94. ^ SELLER'S SIGNATURE MO/DA/YR ^ SELLER'S SIGNATURE MO/DA/YR

**For Broker Use Only:**  
Brokerage File/Log No.: \_\_\_\_\_ Manager's Initials: \_\_\_\_\_ Broker's Initials: \_\_\_\_\_ Date: \_\_\_\_\_  
MO/DA/YR