Disclosure Or resale

Short List

--:-- WHAT TO LOOK FOR WHEN CONSIDERING A LOT IN A PLANNED COMMUNITY.

--:-- A. All governing documents - read carefully
--:-- B. All financial statements
--:-- C. Annual budget
--:-- D. Any rules and restrictions on leasing or use of property
--:-- E. Percentage and amounts of delinquent assessments
--:-- F. Due diligence
--:-- G. Insurance
--:-- H. Audits - who puts them together?
--:-- I. Income and expense statement for two years
--:-- J. How do they handle the surplus operating expense?
--:-- K. Capital reserves and study, if any?
--:-- L. Copies of income tax
--:-- M. If amenities, any encumbrance on the common elements?
--:-- N. Any mineral rights?
--:-- O. Annual assessment and rules for raising assessment
--:-- P. Any pending lawsuits against the association
--:-- Q. Any anticipated special assessments
--:-- R. The periodic assessment and whether it is due from the seller
--:-- S. Any special assessment due or contemplated
--:-- T. Is the developer still in control? If so

--:-- • How much longer?
--:-- • does developer pay any assessment on his lots
--:-- • Does the builder pay any assessment or deferred?
--:-- • Does member have any power to change the rules
--:-- • Are there any amenities?
--:-- • Who is paying for the amenities?
--:-- • Does the developer have a mortgage on the remaining lots?
--:-- • Any capital reserves?

--:-- If there is a structure on the property, then a disclosure is required by (47E) and it does not cover everything you should look for. It is recommended that you should contact an attorney to explain your rights and obligations and the language in the documents.

--:-- When buying in a common interest community, the owner is agreeing to maintain and pay for the upkeep of the common elements and to take care of their property. In addition, the purchaser is giving a security interest in their property to the association in the event that the owner fails to pay their assessment.