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RESALE DISCLOSURE ACKNOWLEDGEMENT

A.R.S. § 33-1260 (A)(3)(h) [Arizona Condominium Act] and A.R.S. § 33-1806(A)(3)(h) [planned community statutes] requires the following statement in the resale disclosure statement:

I hereby acknowledge that the Declaration, Bylaws and Rules of the Association constitute a contract between the Association and me (the purchaser). By signing this statement, I acknowledge that I have read and understand the Association's contract with me (the purchaser). I also understand that as a matter of Arizona law, if I fail to pay my association assessments, the Association may foreclose on my property.

The above statement must be accompanied by a signature line for the purchaser and the statement must be returned within 14 calendar days. The statute does not require the purchaser to sign the document nor is there a penalty on the purchaser for not returning the statement. For those associations that have fewer than 50 units, the seller must generate the statement. In those situations where a seller generates the disclosure statement, presumably the "acknowledgement" would be returned to the seller and the seller, hopefully, would forward it to the Association for inclusion in the Association's files.

Modification of existing Resale Disclosure forms is not necessary. A sample, "cover letter" for use with existing Resale Disclosure forms is acceptable.