

## QUESTIONS TO ASK YOUR LICENSED REALTOR

The courts hold you to the governing documents as a binding contract. Arizona statutes, A.R.S. 33-1806 and 33-1256, ask you to sign a statement that you agree that the C&RS, bylaws and Rules & Regulations are all indeed binding contracts.

**DO NOT SIGN THIS AGREEMENT.** Know what you are buying into, because you may face the loss of your equity or need to move to some other location. **YOU MAY BE SURRENDERING YOUR CIVIL AND CONSTITUTIONAL RIGHTS. SEEK ADVICE FROM A COMPETENT ATTORNEY.** Have your attorney explain your rights to you. (The AZ Assn of Realtor preprinted purchase form will now be 11 -18 pages).

Arizona home buyers, protect your rights by asking your licensed Realtor about:

1. Are you protected from HOA lien foreclosure by the \$150,000 homestead exemption? This would protect the first \$150K of your home equity.
2. Since your assessments pay for the HOA attorney, will the attorney respond to your complaints about the actions of the board? What remedies are available to you if you contest an action or decision of the board?
3. To what government agency you can file a complaint about your HOA board, as you can with doctors, lawyers, contractors, etc.?
4. If you contest a fine for an alleged violation of the CC&Rs, will you be given a notice and an opportunity to be heard by an independent tribunal and allowed to confront the accusers, demanding the evidence in support of their claims? Will this procedure be similar to the state Office of Administrative Hearings procedures for state agencies?
5. Are the HOA elections held in accordance with the same oversight procedures as are the general elections? Does the HOA follow its governing documents, or are they largely ignored?
6. Why the Arizona Association of Realtors supported a bill that removed notification to you of your loss of homestead protection, saying that it did not want agents explaining homestead exemption? (Licensed agents are required to pass an exam covering agency, contract and real estate law, and are required to take continuing education courses in these topics every two years).
7. Can the association foreclose on my \$200,000 - \$700,000 house for as little as a \$200 or \$500 late assessment payment? Will you get a "work-out" plan as the dreaded IRS offers those who have not paid their taxes?

If the Realtor cannot or refuses to answer these questions, ask them of the Arizona Department of Real Estate's Consumer Affairs. Call 602-468-1414 x-225.

If the ADRE will not or cannot answer them, call the Arizona Attorney General's Office's Consumer Protection and ask them. Call 602-542-5025.