# **ARIZONA HOUSE OF REPRESENTATIVES**



Fifty-sixth Legislature Second Regular Session

## HB 2119: homeowner's associations; fees; related parties S/E: real property Sponsor: Representative Hendrix, LD 14 Committee on Regulatory Affairs

### Summary of the Strike-Everything Amendment to HB 2119

#### <u>Overview</u>

Prohibits an association from charging a fee related to transferring property between specified parties.

#### <u>History</u>

Current statute stipulates that a provision in a covenant, declaration or any other document relating to real property in this state is not binding or enforceable against the real property or any subsequent owner, purchaser or lienholder if it claims to:

- 1) bind successors in title to the specified real property; and
- 2) obligate the transferor or transferee of all or part of the property to pay a fee or other charge to a declarant or third person upon transfer of an interest in the property (A.R.S. § 33-442).

An *association* is defined as a nonprofit organization qualified under federal code or a nonprofit mandatory membership organization created pursuant to applicable laws, covenants or declarations and is composed of the owners of condominiums, cooperatives, homes or manufactured homes or other interest in real property (A.R.S. § 33-442).

#### **Provisions**

- 1. Prohibits an association from charging a fee related to statutory fees on real property between parties when the transfer of title has nominal or no consideration as outlined in statute except service fees authorized in any document to manage real property within the association. (Sec.1)
- 2. Makes a conforming change. (Sec. 1)

 $\Box$  Prop 105 (45 votes)  $\Box$  Prop 108 (40 votes)  $\Box$  Emergency (40 votes)  $\Box$  Fiscal Note