

ADRE 2018 Legislative Summary (HOA Legislation)





ADRE Legislative Overview | 2018

The Arizona State Legislature adjourned *sine die* on May 4, 2018 at 12:26 AM. The following bill was passed and signed into law by Governor Douglas A. Ducey. If you have questions relating to the bill below, please contact the Department through the Message Center by [clicking here](#). The general effective date for legislation is August 3, 2018 unless otherwise stated.

Please be advised that this list and summary is not comprehensive and therefore may not include all bills or details that directly or indirectly affect the HOA communities and their members. Please visit the state legislature's website at <http://www.azleg.gov/> for more information.

HB 2262

(Chapter 235) Condominiums; Termination; Appraisals (Rep. Toma)

Relating to the termination of a condominium

1. States that upon termination of a condominium, each unit that is owner-occupied receives an additional 5% of the appraisal for relocation costs. (Sec. 1)
2. Directs the association to select an independent appraiser to determine the Fair Market Value (FMV) of the condominium. (Sec.1)
3. Gives unit owners 60 days to object to the association's appraisal. (Sec. 1)
4. Permits a second independent appraisal at any unit owner's expense and if that appraisal differs from the association's appraisal by 5% or less, the higher appraisal is final. (Sec. 1)
5. Stipulates that if the second appraisal is more than 5% greater than the amount of the association's appraisal, the unit owner must submit to arbitration at the association's expense and the arbitration amount becomes the final sale amount; an additional 5% is added for relocation costs. (Sec. 1)
6. Voids any declaration that conflicts as a matter of public policy, beginning on the effective date of the legislation. (Sec. 1)
7. Makes technical and conforming changes. (Sec. 1)
8. Contains an applicability clause. (Sec. 2)

HB 2262 was signed by the Governor on April 17, 2018. A.R.S. Titles Affected: 33

More information, including an overview of each bill can be found at www.azleg.gov