

ASSOCIATION DISCLOSURE PACKET NOTICE

Note to prospective purchasers: The lot you are considering purchasing is in a development which is subject to the provisions of the Virginia Property Owners' Association Act. Living in a community association carries with it certain rights, responsibilities and benefits.

Some of the benefits include the right to use common areas, which may include swimming pools, parks, playgrounds and other recreational facilities. In order to finance the operation of the community, each owner is responsible for and obligated to pay regular assessments, and if necessary, special assessments to ensure that the financial requirements are met. Failure to pay any of these assessments may result in a lien being placed on your property.

The use of common areas, financial obligations of lot owners' and other information concerning the rights, responsibilities and benefits resulting from the purchase of a lot in this common interest community are subject to the provisions of governing documents that typically include a declaration, bylaws, articles of incorporation and rules and regulations. These documents play an important role in association living and should be reviewed carefully prior to your purchase.

Some decisions of your association will be made by the board of directors, while others will be made by a vote of all association members, made up of the other lot owners in your development. You will be bound by all decisions of the association and the board of directors. The documents cited above contain information concerning the selection of members of the board of directors, meetings, voting requirements, and other important information you should become familiar with. **REMEMBER:** Failure to comply with the governing documents of your association can result in legal action being taken against you.

You may wish to become active in your association, either by running for the board of directors or by serving on a committee. Your involvement is important, as you will be bound by all decisions of the association and the board of directors.

The name of your association is:

Lot number and address:

Assessments and/or Mandatory Fees you are responsible for:

Assessments: _____ **per** _____

Special assessments: _____

Other entity or facility: _____

Other fees: _____

Failure to pay any of the above Assessments and/or mandatory Fees may result in nonjudicial foreclosure on your property or the following:

ALL DOCUMENTS AND INFORMATION CONTAINED IN THIS DISCLOSURE PACKET PLAY AN IMPORTANT ROLE IN LIVING WITHIN A COMMON INTEREST COMMUNITY AND SHOULD BE REVIEWED CAREFULLY PRIOR TO YOUR PURCHASE OF THE PROPERTY. A LIST OF THOSE DOCUMENTS YOU ARE ENTITLED TO RECEIVE IN ACCORDANCE WITH THE PROPERTY OWNERS' ASSOCIATION ACT IS PRINTED ON THE BACK OF THIS NOTICE.

Recipient Name (print): _____

Recipient signature: _____

Date: _____

The following is a list of documents you are entitled to receive in accordance with the Property Owners' Association Act.

- ◆ the name of your association, and if incorporated, the state of incorporation and the name and address of the registered agent;
- ◆ a statement of any approved expenditures that shall require an additional assessment during the current year or the immediately succeeding fiscal year;
- ◆ a statement of all assessments and other mandatory fees currently imposed by the association;
- ◆ a statement whether there is any other entity or facility to which the lot owner may be liable for fees or charges;
- ◆ the current reserve study report (or a summary thereof), a statement of the status and amount of any reserve or replacement fund and any portion of the fund allocated by the board for a specified project;
- ◆ a copy of the association's current budget (or a summary thereof) and a copy of its statement of income and expenses or financial condition for the last fiscal year available, including a statement of the balance due of any outstanding loans of the association;
- ◆ a statement of the nature and status of any pending suit or unpaid judgment to which the association is a party which either could or would have a material impact on the association or which relates to the lot being purchased;
- ◆ a statement setting forth what insurance coverage is provided for all lot owners by the association, including any fidelity bond maintained by the association, and what additional insurance would normally be secured by each individual lot owner;
- ◆ a statement that any improvement or alteration made to the lot, or uses made of the lot or common area assigned thereto by the prior lot owner, are not in violation of any of the instruments referred to in this disclosure notice;
- ◆ a statement setting forth any restriction, limitation, or prohibition on the right of a lot owner to place a sign on the owner's lot advertising the lot for sale;
- ◆ a statement setting forth any restriction, limitation, or prohibition on the right of a lot owner to display any flag on the owner's lot, including, but not limited to reasonable restrictions as to the size, place and manner of placement or display of such flag and the installation of any flagpole or similar structure necessary to display such flag;
- ◆ a copy of the current declaration, the association's articles of incorporation and bylaws, and any rules and regulations or architectural guidelines adopted by the association;
- ◆ a copy of notice given to the lot owner by the association of any current or pending rule or architectural violation;
- ◆ a copy of any approved minutes of the board of directors and association meetings for the six calendar months preceding the request for the disclosure packet;
- ◆ a copy of the fully completed one-page cover sheet developed by the Common Interest Community Board pursuant to § 54.1-2350; and
- ◆ certification; if applicable, that the association has filed with the Common Interest Community Board the annual report required by §55-516.1 of the Code of Virginia; which certification shall indicate the filing number assigned by the Common Interest Community Board and the expiration date of such filing.