

SUN CITY INDEPENDENT

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HOUSING

Terms raise concern

Condos defined by state law

By Rusty Bradshaw
INDEPENDENT NEWSMEDIA

Real estate professionals want to see some changes that clarify condominiums vs. other types of housing to

avoid confusion and problems in sales.

Identifying duplexes, quads and other types of homes as condominiums not only creates confusion, but has properties appraised incorrectly and is causing some loans to be denied for FHA funding, according to Ermilinda Evans of Award Realty in Sun City. She said there are



Jim Ball



Sam Estok

only four condo associations in Sun City, not 386 as quoted by Sun City Condo Owners Association officials and

others.

"The term condo is loosely used," Ms. Evans said. "People believe if there is a common area or adjoining walls it is a condo."

The difference is that single-family homes include in ownership the land on which they are built, whereas condos do not, according to Ms. Evans.

"If you look at non-condo owners documents, you will see the word lot," said Jim Ball, Sun City resident and former COA board member.

There are five classifications of homes used by Recreation Centers of Sun City officials, according to Joelyn Higgins, RCSC communications and marketing coordi-

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nator. They are single-family homes, garden apartment homes, multi-level apartment style condominiums, patio homes and Gemini twin homes.

"RCSC refers to these simply as residential housing units, regardless of the style of home," Ms. Higgins said.

However, RCSC officials do use the term condominiums in certain circumstances, including maintaining its status under Title 10 rather than Title 33.

A lawsuit filed against RCSC by 39 Sun City residents wants Sun City to be classified as a planned community, falling under the Planned Communities Act. In statements emailed to the Independent in February regarding Senate Bill 1175, amending Title 33 to protect rec centers rights to assess its preservation and improvement and other fees, Jan Ek, RCSC general manager, stated A.R.S. 33-1802(4) defines a planned community as one that does not include condominiums. She pointed out the Sun City COA provides assistance to 386 condo associations in the community.

Condos are clearly defined by law, according to Sam Estok, Sun City COA board president. The key is owners vested interest in the undivided common areas, he added.

"If you own a percentage of the common area, it is considered a condominium," Mr. Estok said.

That is spelled out in A.R.S. 33-1202's definition section.

"'Condominium' means real estate, portions of which are designated for separate ownership and the remainder of which is designated for common ownership solely by the owners of the separate portions. Real estate is not a condominium unless the undivided interests in the common elements are vested in the unit owners," the definition states.

However, from the Realtor's perspective, the properties do not fit the common sense definition of a condo based on land ownership. They believe they are planned unit developments.

about the issue in January 2011.

"They (misidentified units) are not organized or legally created under the condominium laws and do not have or need several of the documents that would be required as condominiums," Mr. Elmes wrote. "A PUD is a residential dwelling which is part of an association of the homeowners of the project."

But so far there has been little change.

While some associations changed their names to take out the term condo, the term is still widely used, according to Ms. Evans. Mr. Ball, while a COA board member, tried to get that entity to change its name but was unsuccessful.

"The name Sun City Condo Owners Association perpetuates the problems," he said.

Sun City West's condo association did change its name last year to avoid confusion, according to Tona Carruthers, Organization of HOAs office manager.

"A lot of people thought we only represent condominiums," she stated in an email. "While we do have traditional condos here in Sun City West, it's very confusing for everybody."

She believes the Legislature's definition grouped all types of homes together.

"We represent all HOAs, regardless of the state definition," Ms. Carruthers stated.

But she also believes the state has made it very confusing, especially in the Sun Cities.

"Condos can be long or a duplex," she stated. "Scottsdale has a lot more of the traditional high-rise condos. I find it very confusing trying to explain to people. They may be a duplex, but by state law may be required to follow the rules of a condo."

While some FHA home purchase loans are being denied in the Sun Cities due to the preservation fees charged by the rec centers organizations, some FHA loan requests are also denied because most condo associations are not FHA certified, according to Mr. Ball.

"PUDs don't require FHA

as well, according to Mr. Evans. She said appraisers value condos lower than single-family, duplexes, quads and other types of homes not considered condos because the ownership does not include the land.

"So that affects conventional and VA loans, too," she said.

While some Sun Cities Realtors, familiar with the circumstances, can get around the obstacles, it is much different for Realtors from out of the area.

"We battle lenders all the time who are not familiar with the area," Ms. Evans said.

Mr. Ball said the Arizona Department of Revenue "gets it" regarding condos. The ADR land manual states, "In many areas the terms condominium and townhouse are used interchangeably. However, this is an incorrect practice." It further states that condominiums are only created under Title 33 by the Uniform Condominium Act. "Note that while 'undivided interests' may be held by the owners of individual townhouse units in a planned unit development, the PUD is not a 'condominium' by definition."

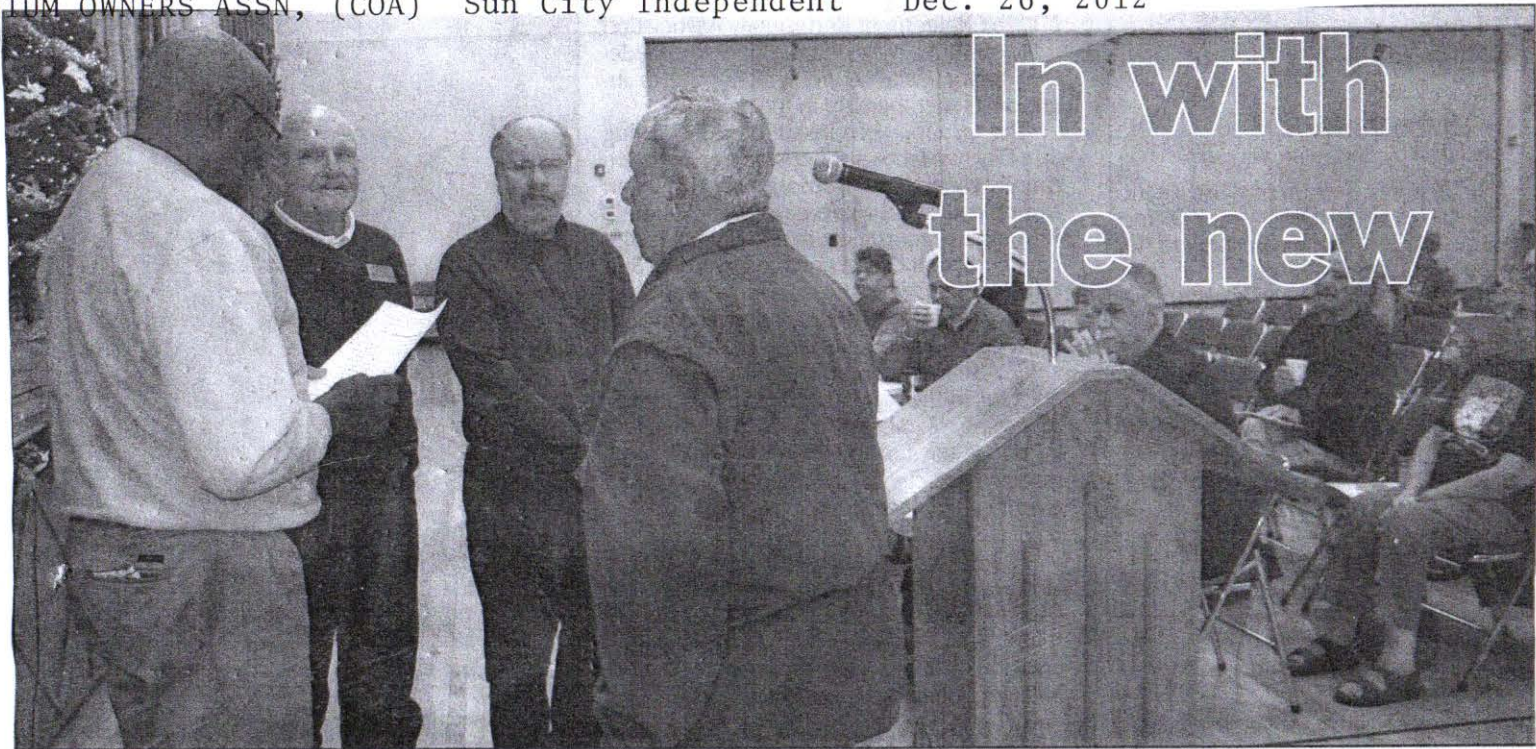
None of those arguments are swaying Sun City COA officials to make any changes in agency name or practice. In addition to the state statute definition, COA officials follow guidelines in "Condo and Planned Community Statutes of Arizona," a manual published by the Carpenter and Hazelwood law firm.

"That is what we always go by," Mr. Estok said.

He added most associations do not pursue FHA certification because it costs the association a lot of money.

"What we tell people is that if a seller or buyer wants an association to get FHA certified, they should apply for it and pay the costs involved," Mr. Estok said. "This is something that always comes up in our workshops."

Rusty Bradshaw can be reached at 623-445-2725 or rbradshaw@newszap.com. Continue the discussion at www.yourwestvalley.com.



In with the new

Independent Newspapers/Rusty Bradshaw

Vance Coleman, left, outgoing RCSC board president, installs newly elected board members, from left, Jim Brasher, who was re-elected, David Weiland and Ron Jesse at the Dec. 20 meeting. Mr. Brasher was re-elected. In the same meeting, the board voted 8-1 to approve changes to Board Policy 12, a measure that has been hotly contested by some residents. Board member Bill Pearson voted against the proposal. The board unanimously approved a \$500 per qualified employee contribution to their 401(k) plan, disability benefits for full-time employees, the 2013 budget, an increases in property assessments (\$450 per property, per person \$225 and privilege card \$225) and a \$2,500 donation to the Sun City Posse. In an 8-2 vote, with Mr. Pearson and Linda Lindquist dissenting, the board approved a \$5.8 million master plan for the North Golf Course, 12650 N. 107th Ave.

No need to pay the piper

COA officials want laws amended to protect residents

By Rusty Bradshaw
Independent Newspapers

Residents living in home or condo associations could be charged unnecessary fees for services from management companies. Sun City Condominium Owners Association board members confirmed they have heard complaints similar to those related to the Independent by a Sun City woman. She claimed to get harassing phone calls from a management company or attorney, demanding payment of

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past due balances. Sam Estok, Sun City COA board president, said calls his agency receives are primarily about service fees for providing documents and other information that is readily available from association officials. However, they are not limited to that, he added. Alleged excessive fees is the subject of a class action lawsuit filed in U.S. District Court in Octo-

ber. Filed by the Watters and Watters law firm of Tucson and attorney J. Roger Wood of Tempe, the lawsuit targets 26 management companies and alleges they are gouging residents with unnecessary fees and acting as attorneys without licenses to practice law. The suit also alleges Debt Collection Practices Act violations and wrongful liens. In addition to naming 26 management companies, the document lists associations the companies represent. While none of those associations are in Sun City, Jim Ball, Sun City COA board member believes the lawsuit has the potential to set precedent. Mr. Estok hopes it inspires legislators to consider revising state laws

Costs

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to protect residents from these practices.

Part of the problem, according to Mr. Estok, stems from some management companies filing with the state they are the spokesman for homeowners or condo owners associations, then charging fees to provide information and documents available directly from the association free or at lower cost.

"This is done even by companies that are contracting only to do accounting services," he said.

State law requires HOAs and COAs to designate a spokesman to allow for providing a smooth transition of information and documents to prospective buyers. However, Mr. Estok said existing law allows property management companies to make that designation without the approval of an association's governing board.

"As it stands now, anyone can designate themselves the spokesman, all they have to do is fill out the form and send it in," he said.

Mr. Estok believes legislation should be amended to require permission from an association's governing board before anyone can file as a designated representative. Jim Ball, Sun City COA board member, agrees a spokesman designation should only be allowed with board permission. But he is concerned about creating another law.

"Management companies are supposed to be running everything they do by the as-

sociation boards," he said.

Mr. Estok said association officials should be explicit in their contracts with management companies as to what their responsibilities will be.

"If the company is to be just an accountant, they should only handle the financials," he said. "And that needs to be spelled out in the contract."

Not all associations utilize management companies to handle debt collection. Jim Ball, Sun City COA board member, said the majority of Sun City's 386 condo associations are self-managed. Some only use management companies for accounting services, he added.

Sun City Home Owners Association handles debt collection in-house, using a management company for accounting. SCHOA staff sends out letters requesting payment of assessments and past due amounts, according to Bill Szentmiklosi, SCHOA general

manager.

"When there is a past due, we continue to make contact with the debtor through the mail and at their home," he explained. "We do everything in-house."

Like all HOAs, SCHOA has the options of taking legal action or foreclosing on a home if the debt grows to a significant level. However, those are the last options, according to Mr. Szentmiklosi.

"We have had great success, but there is still a lot (debt) out there," he said.

SCHOA officials are considering contracting with a debt collection agency, but that remains in the research stage at this point, Mr. Szentmiklosi said.

"We have a substantial amount past due," he added. "It is becoming a concern with the increase in operating costs."

Mr. Ball said associations have a wide range of options for debt collection.

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Independent Newspapers/Rusty Bradshaw

Newcomer entertainment

Roger Scharenbroich, left, and Trudy Bryson, members of the Sun City Ukulele Club, play for visitors to the Feb. 8 Sun City new members orientation. The event drew a large crowd of new and existing residents to hear about community services and club offerings. Residents will have an opportunity to visit health care vendors during the Sun City Visitors Center Heart Health Expo 8 a.m.-noon Monday, Feb. 20 at Sundial Recreation center, 14801 N. 103rd Ave.

To rent or not to rent

COA officials oppose bill that allows condominium rentals

By Rusty Bradshaw
Independent Newspapers

Sun City Condo Owners Association officials remain opposed to legislation regarding condo rentals — even though a proposed bill would allow them. House Bill 2513 would guarantee condo owners could rent their units, as long as the association governing documents do not prohibit it. The bill is co-sponsored by Dist. 22 Rep. Steve Urie (R-Gilbert), Dist. 11 Rep. Kate Brophy McGee (R-Phoenix) and Dist. 7 Rep. Heather Carter

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(R-Cave Creek). The bill had a second reading in the house Jan. 18 following a Jan. 17 8-0 affirmative vote in the government rules committee. While the bill appears to be just the opposite of one proposed last year that barred associations from restricting rentals, COA officials believe it is an attempt to bypass association governance. "We still think the legislature should stay out of it," said Sam Estok, COA board president. "It should be up to the association."

The COA, an advisory organization for the various condo associations in the community, has no official authority, according to Mr. Estok. There are 386 condo associations in Sun City. Sun City resident Suzy Bannigan e-mailed the Independent asking about a bill she heard was proposed that would prohibit renter restrictions. But Mr. Estok said no such bill has been introduced. "But that doesn't mean it won't be," he added. "There's still time." The Senate deadline to introduce bills was Jan. 30 and the House deadline was Feb. 6. However, amendments can be added to bills as they work their way through committees.

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Condos

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"That's how one of those renter restrictions got on last year, was through an amendment," said Jim Ball, a COA board member.

HB 2513 would also allow unit owners to make a written designation of a third party to act as an agent and would require notification to the association of a renter's name, age, telephone number, description of vehicle and license plate number. The legislation would also require renters to provide a government issued identification in associations that are age restricted.

"The only good thing in this bills is it allows the association to charge an administrative fee," Mr. Estok said.

The proposal would also prohibit association officials from requiring renters provide copies of their rental application, credit report or rental agreement. Association officials would not be allowed to require renters to sign documents waiving or limiting their right of due process.

The proposed bill does not address renter issues that could be detrimental to the lifestyle Sun City residents have come to expect, according to Mr. Ball.

"Associations cannot enforce CC&Rs on renters, they can only deal with the owners," he explained. "There is nothing in the bill that changes that."

He explained some condo owners do not live in Sun City, sometimes not even in Arizona, which makes it difficult for association officials to reach them in a timely manner. When reached, some simply ignore the it because they believe being absentee owners makes it easier to dodge the responsibility, Mr. Ball added.

Mr. Estok said the proposed legislation in effect says renters are not obligated to abide by the CC&Rs.

The proposed legislation also does not address limiting the number of renters in an association. If an association has renters over a specific percentage, they are then considered a commercial entity, which means they are charged higher rates for services such as water and loans. Higher numbers of renters also means taxes and insurance rates for associations increase, according to Dennis Wilder, a COA board member.

"You then would also have the potential for absentee owners to control the association," he said.

Mr. Estok said in the continued struggling economy, some condo association officials are considering lifting their renter bans. But if they do, they will address all the above issues not addressed in HB 2513, he added.

Increased renters in associations also has an impact on its governance, according to Mr. Ball. Condo associations are dependent on a pool of qualified volunteers to staff their boards of directors and committees.

"In the majority of associations, renter tenants are ineligible to serve as directors and officers, so an increase in (renter) occupancy diminishes the opportunity for able volunteers to perform those vital functions."

COA officials also oppose the bill on principle because it takes the governance of small housing associations out of the local board's hands.

"One of the smallest examples of democracy are these small condo associations," Mr. Ball said. "It seems the legislature wants to keep sticking its nose in (those democracies)."

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COA workshops fill community need

ANNIE KARSTENS
DAILY NEWS-SUN

Ted Haupt moved into the Hibode condominium association about a year ago and was almost instantly put on its board of management.

The Hibode association, on the corner of Boswell and Del Webb boulevards, had once belonged to the Sun City Condominium Owners Association, but had let its membership go. After attending just one of the COA's informational workshops, Haupt was eager to reinstate the association's membership with the COA.

"We definitely rejoined the COA," Haupt said. "We will all gain from belonging, there's no two ways about it. People are crazy if they don't belong."

Haupt is one of hundreds who have attended the COA's seven workshops that kicked off in January and continue throughout the year. In the past, there have been three or four workshops, which had been poorly attended, according to Ben Roloff, president of the COA. Not this year. Roloff said the three workshops that have already taken place brought nearly 185 residents to each session.

"We have been ecstatic about the reception our workshops have received; our last two have been standing-room only," Roloff said. "We've been overwhelmed by the positive responses we've gotten verbally, by e-mail and fax."

The workshops not only benefit the board members, but the 15,000 Sun Citians living in condos can rest assured their management has the necessary tools to sufficiently maintain their living standards, Roloff said.

Individual condo associations are led by a board of three or more resident volunteers or by hired professional managers. The board must reference the following documents that ensure the quality of condominium living: The association's covenants, conditions and restrictions, its bylaws and its rules and regulations.

Haupt was impressed with how well the workshops were conducted and how much he's learned from them.

"Each one I've gone to has been A-one informative and very good," he said. "Just top notch — I can't say enough about them."

IF YOU GO

- **WHAT:** Sun City Condominium Owner's Insurance Workshop
- **WHEN:** 10 a.m. Thursday
- **WHERE:** Sun City Posse Building at 10861 Sunland Drive

Roloff took some time to personally counsel Haupt on specific issues, which meant a lot to the condo owner.

"I've talked to Ben, and he was very open with me," Haupt said. "We talked about problems our association had, and he was just a lot of help in giving me information on how to run things better here."

The Hibode association is run like a family and Haupt is proud of how the residents truly come together. He appreciates that the COA and its workshops have given him tools he needs to keep up the "family property."

"They have all kinds of benefits and they spell out the paperwork so well," Haupt said. "For example, we're reorganizing our CC&R's. They are outdated, and I didn't know until recently that we could amend them."

Haupt is looking forward to the next workshop scheduled for 10 a.m., Thursday at the Sun City Posse Building, 10861 Sunland Drive.

It will deal with insurance issues, a hot topic right now as prices for premiums are skyrocketing. Also, there is consistent confusion about complicated insurance facts, Roloff said.

With Roloff as the primary speaker, attendees can come prepared with questions and concerns about the current state of their association's insurance.

There were originally six workshops planned for 2004, but after an overwhelming response to the first workshop called "I'm on the board, now what?" the COA decided to add a seventh session as part two of that workshop.

"This year, we set a goal to do a better job of not just publicizing our workshops, but designing them to better fit the needs of our members," Roloff said. "I'm encouraged about the value that people see in the COA and the service we can provide to them."

For information on the COA workshops or membership, call 974-9035.

Roofer jilts condos, owes thousands

Daily News-Sun tracks him in South Dakota

ANNIE KARSTENS
DAILY NEWS-SUN

Joanna Yurs said her Sun City condo association paid \$135,000 for a 10-year roofing warranty to a contractor who left the state with eight years remaining on the deal.

Bette Kratz said she and her neighbors have been taken for a similar roofing ride by the same firm, Horizon Roofing Inc., a company they thought was reputable and one they trusted.

Kratz and the other residents at the Pima Condominium Association on Garden Court Drive, off 11th Avenue and Thunderbird Boulevard in Sun City, have sought legal counsel.

They likely will need it.

John Spurling, Horizon's owner, told the Daily News-Sun Monday afternoon that he had grown tired of the roofing business and has left Arizona for health reasons.

The Daily News-Sun discovered Spurling has moved to Tyndall, S.D., and works at the Shady Rest Motel. Spurling conceded he closed Horizon without notifying his clients or providing them any information. When asked why he neglected to refund any money, Spurling replied: "They can call my attorney." When asked how to reach his attorney, he declined to comment further.

Pima's 57 condo units have joined Royal 30, where Yurs lives, and Polar condo associations in their battle

against Horizon and Spurling. The associations, and possibly others, contracted with Horizon, paying the company in advance for extended contracts to maintain their roofs, said Ben Roloff, president of the the Sun City Condominium Owners Association, the umbrella for the community's 386 condo associations. Yurs said even the roofs that were maintained over the two-year period before Horizon closed were left in poor shape, as confirmed by Royal 30's investigators, as well as by investigators with the Arizona State Registrar of Contractors, she said.

Representatives with the Registrar of Contractors have already reported their

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MOLLIE J. HOPPES/DAILY NEWS-SUN

Board members of the Pima Condo Association, from left, Orlin Johnson, Joost Van Gelder and Bette Kratz, have sought legal counsel in an attempt to recover funds the board gave to Horizon Roofing for a maintenance contract.

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From A1

findings to the state court system, according to Roloff. Investigators confirmed that projects completed by Horizon before their disappearance had been poorly executed and that several contracted terms were left incomplete, he said.

"They agreed that there was an injustice done," Roloff said.

Horizon was based in Peoria and had been serving the Sun Cities since 1982. Spurling offered Pima's board of management a three-year roofing agreement for \$8,500. After thoroughly researching the company, the association sealed the deal with Horizon in January 2003 and expected Pima's roofs to be in top shape for the period of the contract, according to Orlin Johnson, chairman of Pima's board of management. Those expectations would never be met.

Johnson said that some initial work was done by the company within the first few months of the contract. However, after that, Horizon cut all contact with any of its clients. Phone lines were disconnected and the office was shut down. With two years' worth of maintenance left on their agreement, Pima residents were forced to watch their money disappear with no hope of a

refund.

"We wrote letters and called, but they never answered us," Johnson said, adding that he first became suspicious after calling Horizon with a complaint about Pima's roof, only to hear that their answering machine didn't accept any messages.

Johnson and Kratz followed up on their suspicions and called the Arizona Registrar of Contractors only to discover that Spurling had suspended Horizon's business license and that the company was officially closed.

The BBB released a statement concerning Horizon Roofing, Inc. that reads: According to information in Bureau files, it appears that this company is no longer in business. The phone numbers are disconnected, and directory assistance has no listing for this company. The Bureaus mail to this company has been returned undeliverable. If you have an unresolved dispute with this company you may wish to seek legal advice.

Before signing the contract with Horizon, Johnson and Kratz researched the company, checking its reputation with the state's Better Business Bureau, the Sun City Home Owners Association and the COA. All resources confirmed

that the company had a positive, long-standing track record.

Even Roloff's own condo association used the company and had a fine experience working with Horizon, until about a year ago.

"Our condo association would have extended our contract with them until we found them impossible to reach," Roloff said. "They just fell off the face of the earth."

Pima's board of management looked to the HOA and COA's preferred law firm, Ekmark and Ekmark of Scottsdale, in an effort to recover their funds. However, their's may be a lost cause.

"The amount of money recovered may not justify pursuing a lawsuit," Roloff said, adding that there is strength in numbers and if more property owners who have been conned by Horizon come forward, they may have a case that the county will take notice of.

"Ekmark and Ekmark has suggested that we combine all of the associations to get justice," Roloff said, noting that elder-abuse issues may surface as a result. "If there are enough of them, we may be able to bundle their complaints and entice the county attorney's office or the attorney general's office to go after Horizon Roofing in terms of a fraud case."

At this point, Royal 30, Polar and Pima's boards of management have to be patient and trust that the legal system will elicit some form of retribution. In an effort to solidify their case, the HOA and COA will be fielding calls from any residents who believe they fell victim to Horizon's failed promises.

"That's where the importance of the COA comes in," Roloff said. "We are attempting to put together a list of any condos that may have been adversely affected by horizon's disappearance."

Johnson is sorry that his condo association was basically robbed and hopes that Spurling isn't out to con any more communities.

"I sure would hate to see other people get taken like this," Johnson said. "We're senior citizens, we shouldn't have to worry about being taken advantage of."

Roloff agreed. "We've got these condo associations that have literally been ripped off," he said. "It's a terrible thing, they came in and terrorized their pockets."

He is determined to find a remedy to the situation and to ease the burden of Horizon's victims.

"It's unfortunate for those who get left in the wake of these poor business decisions," Roloff said.

DAILY NEWS-SUN

FRIDAY, FEB. 6, 2004

Condos with no resident boards concern COA

ANNIE KARSTENS
DAILY NEWS-SUN

The Sun City Condominium Association's board of directors addressed the controversial topic of condo management at its monthly meeting Thursday.

The COA knows of six condo associations that amended their covenants, conditions and restrictions to abolish their management boards and rely solely on hired, outside managers, said Ben Roloff, COA board president. Hiring a professional property manager to work in conjunction with a resident board is not uncommon, Roloff said, but completely eliminating a board is.

Out of 386 associations, about 100 have hired professional managers to work in conjunction with their boards, a partnership that has been beneficial in situations where residents would rather not shoulder the entire load of responsibilities, Roloff said.

Ken Meade Realty has been hired by 21 associations, and six of those are known to have abolished their boards, according to Penny Reutter, division manager with Ken Meade. The properties were not identified by the COA or Ken Meade.

Reutter said more associations without boards have put their management in the hands of other property-management companies — some of which the COA isn't aware.

When all of the 386 condo associations were formed, they signed required documents that included one requiring a board of management, Roloff said: "Over the years, many of the associations have had a difficult time finding unit owners willing to serve on their boards and help manage the condo associations."

As an alternative, they hired management companies.

"Several companies, for a fee, make themselves available to help with day-to-day management tasks like landscaping, budgeting and upkeep," Roloff said. "The COA has no problem with that at all. We know that the management companies have been doing a fine job, and we respect and appreciate their work."

However, the six associations that have no resident boards have taken their reluctance to manage to an extreme level, Roloff said. The

question raised by the COA remains — is it legal?

CC&Rs, Roloff said, need to stay within state laws — laws that may determine it's illegal to abolish boards as a whole. Although there are only half a dozen associations who have taken that step, the COA is seeking legal counsel within the next couple of months to help determine the legality. Roloff emphasized that the small number of associations involved do not raise a huge issue, but if legal issues persist, the state could step in.

"There's kind of a cloud over this issue in terms of legality," Roloff said. "The real concern is that we don't want the state coming in here and looking at the issue under a microscope and making a mountain out of a molehill."

"Our concern is that if the state gets involved in Sun City matters, what will happen here?" Reutter asked.

If residents of too many associations are unwilling to sit on management boards, the state may question who controls and runs the association, she said. But she understands why some of the elderly residents would seek extra help.

"Most of the boards that I have right now, homeowners are in their 70s, 80s and 90s. Are they really going to want to sit through a lengthy board meeting?" Reutter asked. "They may not want to have deal with the problems that come up or to have to deal with the owners that may become beligerant."

Realistically, for associations that are short of willing or capable board members, professional managers may be the best option. Agents from Ken Meade have three contacts at the associations they work with and are in constant communication with residents about issues such as dues, landscaping, vendors, running meetings and budgeting. However, Reutter has concerns about professional managers running the show alone.

"I would prefer to have board members than not for the simple fact that those board members live on that property and will be invested in what goes on in that association," Reutter said. "We don't live on these sites, so we don't have the day-to-day input from the homeowners."

January 28, 2004

SUN CITIES INDEPENDENT

Condo owners discuss issues

Sun City COA holds first meeting of '04

By **Geno Lawrenzi**
Independent Newspapers

Newly elected Sun City Condominium Owners Association President Ben Roloff practiced the 5 "C's" of condo living — congeniality, cooperation, consideration, communication and compassion — at COA's first workshop of the new year.

The packed workshop was

held Jan. 22 at the Sheriff's Posse building in Sun City. Most of the attendees were directors of Sun City's 386 condo associations, a total of 9,600 units that contain 15,000 people who like the condominium lifestyle.

Mr. Roloff, elected to succeed Don Thompson, who wanted to forego the last year

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Condo

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of his second term, and his board of directors discussed several issues that confront and sometimes confound condo owners — from common areas of ownership to association rules and how they should be applied.

He stressed communication as one of the most important tools a condo association director can use to keep peace between neighbors.

"You set the rules you want, and then you follow them," he said. "Have a clear definition in your rules as to who owns what, and who is responsible for its upkeep."

Mr. Roloff also stressed condo owners are responsible for taking care of anything that does not fall under the control of the association, whether it be large trees, the

back of the condo or a rear alley.

During the question-and-answer session that followed Mr. Roloff's oral presentation, a member asked about planting flowers in the "common area," an area of a condo development that all members share.

"It depends upon your bylaws and the rules you have set," a director said. Some condo associations will permit this to happen if the member agrees to be responsible for the flowers and their upkeep.

Another question concerned compensation of directors. In some cases, directors are paid, but more often they are compensated by having a reduction in dues. Again, emphasized Mr. Roloff, it all depends on what the individual association's bylaws and rules say.

The board includes Grey Gooby, vice president; Dee

Jones, secretary; Stanley Kush, treasurer; members Knute Blodger, Michael Camuti, Dean Dittmore, Jake Friesen, Ed Martin and Elayne Reith.

One condo association director said he was able to take out grass and put in rocks — a \$30,000 landscaping project for 18 condo owners — for less than \$5,000.

Mr. Roloff told the directors to always operate "in the sunshine with your members.

"Let all of your people know what is going on," he said. "Answer questions. Give them the minutes of the meetings as well as the financial statements and documents. Do it all." He ended his presentation by thanking the members for trusting him.

Next COA workshop is 10 a.m. Feb. 12 at the Sheriff's Posse building.

SCCOA sets 2004 goals

By Geno Lawrenzi
Independent Newspapers

The Sun City Condominium Owners Association has one goal in mind — to help Sun City's 386 condo associations better manage their condos to benefit membership.

According to newly elected president Ben Roloff and Bette Phelps, an accountant and condo owner, the association does a good job of mediating the work of the 386 condo associations in Sun City.

"Sometimes you get a little general who wants to run the show," said Ms. Phelps with a chuckle. "But that goes with the territory."

The association has sched-

uled two workshops 10 a.m. Jan. 8 and 22 at the Sun City Sheriff's Posse Building on Sunland Drive. The first seminar will be geared around the newly elected chairman and board of directors, their responsibilities and duties. The second will pertain to legal matters that affect condo owners, said Ms. Phelps.

The condo associations manage nearly 9,200 units that provide housing for 15,000 residents in Sun City, said Mr. Roloff, who takes office Jan. 1. Each association has a board with three to seven members. Don Thomson is the outgoing president.

Mr. Roloff explained he foresees several trends in 2004.

"Review of water use as well as overseeding and desert landscaping issues, a continuous evolution in how insurance is provided to unit owners, increasing attention to rental and pet policies and a ramping up of incorporations," Mr. Roloff said.

Expanding on the trends, he said, "Bermuda, which is the native grass here, goes into hibernation for six months. We provide overseeding with rye grass, which lets the Bermuda grass 'sleep' while the rye grass keeps things looking green."

He said his association is also concerned about a "terrible situation" that has caused

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insurance rates to jump for condo owners. In two years, said Mr. Roloff, rates have gone up 100 percent because of water damage and other causes. This has forced several associations to pass on the costs to their members. He is also worried that water costs for residents may escalate sharply after the Arizona-American water and sewer rate increases.

Out of the monthly dues assessed to owners, the condo association pays for garbage pickup, pest control, painting on the outside of the building, security lighting fixtures and in some cases cable television. Monthly fees generally run

from \$80 to \$150, with the average fee \$120.

Mr. Thomson said one of his goals is to refine its Web page (www.azscco.org) to provide information to members and prospective buyers of condo units. He also wants the association to improve its communications with the real estate industry.

A native of Thatcher who grew up in Phoenix, Ms. Phelps said condo associations do much good for their members.

"We're in business to help people solve problems," she added. "I hate to say it, but in too many cases, kids just dump their parents here in Sun City, like an adult baby-sitting service."

"Our members are growing older and condo associations make sure they are being taken care of and eating properly. We

consider ourselves an adult protection agency."

When Sun City was born, the age overlay was 50. Several years later it was raised to 55.

"We were a young vibrant community with volunteerism as our strong point," said a member of the Condominium Owners Association. "That allowed Del Webb to organize the condo system of government that is in place today."

Because the population is aging, residents and those wanting to purchase a home here are often 20 to 30 years older than their predecessors. Many are worn out physically from a lifetime of work or limited mentally and simply don't have the energy or want the responsibility of serving on a board.

"When I came here, I had a pet and some of the condo

associations did not permit pets," Ms. Phelps said. "When they would tell me that, I simply went looking for another condo association. That is one of the things people have to consider when buying a condo."

Other questions addressed by condo associations deal with rentals, special plantings, who is responsible for roofs, real estate taxes, property liens, carports, fees and anything else that could affect the property value. Mr. Roloff said some people who rent condos do not take as good care of the property as the owner would.

COA operates under the Home Owners Association umbrella and depends on HOA to mediate and enforce violations of the governing documents, including Declaration of Restrictions.



Photo by Geno Lawrenzi/Independent Newspapers

Ben Roloff, newly elected president of the Condominium Owners Association, is a native of Green Bay, Wis. He and his wife, Mary Rose, have lived in Sun City since 1996.

Association represents condominium owners

By HERB LYNCH

More than 20 years ago, a group of condominium owners formed an organization dedicated to helping chairpersons of condominium associations do a better job of managing.

This early group of volunteers paved the way for what is now the Condominium Owners Association. That original group of people did an excellent job of preparing a reference manual of operations and conducting seminars for condominium chairpersons. The group selected the name of Sun City Condominium Chairmen's Association, and for several years their focus was to assist only the chairpersons of the 386 condo associations in Sun City.

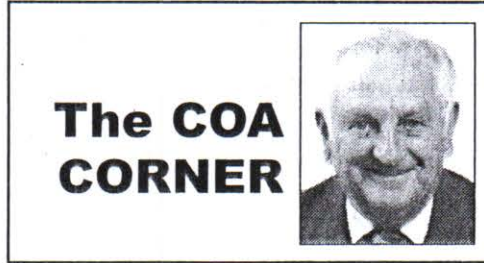
In Sun City, 386 condominium associations represent approximately 9,500 individual units. In 1996 it became apparent to the then-directors of the SCCCA, that more emphasis needed to be placed on the individual owners of condominiums in Sun City. So the idea was born to change the name of SCCCA to Condominium Owners Association (COA). Officially, the name was changed this year.

Presently, COA is governed by a board of 11 directors, all of whom are elected by the 386 condominium chairpersons at an annual meeting. They serve without compensation.

As the current president of COA, it became one of my goals to put the O or Owner back in COA and let everyone know that COA is not just for chairpersons but for all condo owners. In trying to accomplish this, COA has implemented several new programs.

One of these is the "Listening Post." Under this program, any condominium owner may set up an appointment to meet with at least two of our directors, on any subject covering condo living. The meetings are held in our office. Over the past several months, we have conducted many meetings of this sort and have helped iron out problem areas for many condos.

COA sponsors four seminars a year. The seminars are designed to have information not only for the



condo chairpersons but for individual owners as well.

The association's directors are serving on several important committees, which are at work in affairs of interest to all condo owners. Some of the committees include the CAP Water Committee, the Power Deregulation Committee and the Traffic Study Committee. Also, we follow all state legislation that could affect condo owners.

In addition, COA maintains a close liaison with the Home Owners Association. We meet frequently to share opinions and coordinate useful information that can be disseminated to our members. We believe this is invaluable to both organizations, and find we have a better understanding of the challenges we face.

Our organization does not intend to undertake a program to revise all the Codes, Covenants and Restrictions for Sun City condos. We are very supportive of the present program under way by HOA to amend these codes for Sun City homeowners. One of our directors serves on the long-range planning committee of HOA.

COA mails information to each new owner who purchases a condo unit in Sun City.

We believe that condo living is an enjoyable way of living here in the Valley of the Sun, and we like to tell everyone how they can better enjoy that life, by using the 5 C's — congeniality, cooperation, consideration, communication and compassion.

If you are a condo owner in Sun City and want to know more about COA, please feel free to drop by our office at 10404 W. Coggins Drive, Suite 105, and talk to any of our directors.

The writer is president of the Condominium Owners Association.