

## **10. COOPERATING WITH SELLERS IN DISCLOSURE OF INFORMATION**

1. The policy of the Association concerning disclosure of information shall be in conformance with the Act.

2. When requested by a seller, the Association shall provide the documents the seller is required to disclose to the buyer that are within the Association's control. The Association will make the documents listed below available as a "Seller's Disclosure Package":

Articles of Incorporation;

Declaration;

Bylaws;

Filed plat map of Kernan Creek Ranch;

Resolutions adopted by the Board relating to the characteristics, qualifications, rights, limitations and obligations of Members or any class or category of Members;

Minutes of all meetings of the Members and records of all actions taken by Members without a meeting for the past three (3) years;

All written communications within the past three (3) years to Members generally as Members;

A list of the names and business or home addresses of the Association's current directors and officers;

The Association's most recent annual report, if any;

All financial audits or reviews conducted pursuant to Section 303(4)(b) of the Act during the immediately preceding three (3) years; and

All tax returns filed within the past three (3) fiscal years.

3. If authorized by the seller, the Association shall provide the Seller's Disclosure Package directly to the buyer upon payment to the Association of the usual fee charged by the Association to a seller for the Seller's Disclosure Package.

4. The Association will provide as much as is practicable of the above information on its web site and will so note in the Seller's Disclosure Package.

5. The Association will provide the following information concerning the ownership of property within its boundaries on its website, as specified in the Act:

The property is located within a common interest community and is subject to the declaration for such community. The owner of the property will be required to be a member of the homeowner's association for the community and will be subject to the bylaws and rules and regulations of the Association. The declaration, bylaws, and rules and regulations impose financial obligations upon the owner of the property, including an obligation to pay assessments of the Association. If the owner does not pay these assessments, the Association could place a lien on the property and possibly sell it to pay the debt. The declaration, bylaws, and rules and regulations of the community may prohibit the owner from Making changes to the property without an architectural review by the Association (or a committee of the Association) and the approval of the Association. Purchasers of

property within the common interest community should investigate the financial obligations of members of the Association. Purchasers should carefully read the declaration for the Community and the bylaws and rules and Regulations of the Association.