



**DC Ranch Association  
Board Report 2-3-2020 #5**

**Subject Matter: Proposed Policy 307 (Schedule of Fees for Resale)**

**Background:** With the 2020 budget approval, the Board approved an increase to the resale/disclosure fee (from \$350 to \$400), which triggered a review and edit process of the existing policy. Its formatting does not conform to the existing policy format. After making the fee change to the policy and reformatting it, I noticed that other changes should be considered to 1) make the policy read better and 2) to remove most references to Community Council, other than providing its governing documents to the prospective buyer.

The Policy Committee supports the proposed changes.

Section 102.4c of the Policy for the Management and Development of Policies reads as follows: *When the Policy Committee recommends a new policy or a change to a policy and prior to the Board's formal vote, community members shall be provided with a 30-day comment period, where they are afforded an opportunity to provide input and comment on the proposed policy. The proposed policy or policies will be posted on the community's website and notice regarding the posting will reflect in the weekly This Week on the Ranch e-mail to DC Ranch residents.*

The Board can conditionally approve this proposed policy re-write and post it for the required 30-day member comment period. The policy can then be formally considered at the May 4, 2020 regularly scheduled board meeting.

**Recommendation:** Conditionally approve proposed Policy 307 and post for the 30-day member comment period.

  
\_\_\_\_\_  
Darren Shaw, Executive Director



**DC Ranch Association  
Policy 307  
Policy on Schedule of Fees for Resale**

**Policy 307**

**Date of Adoption:**

**Effective Date:**

**Last Revised: January 27, 2020**

**307.1 Purpose:** The purpose of this policy is to provide the schedule of fees and their related descriptions for all residential resales that are part of ~~properties in the~~ DC Ranch Association.

**307.2 Scope:** This policy pertains to all applicable fees required to be paid at the time a resale property closes escrow or title is transferred to a new owner.

**307.3 Responsibility:** The DC Ranch Association Board of Directors.

**307.3a Delegation of Authority:** The DC Ranch Association Board of Directors delegates some of its responsibilities to the Executive Director, such as the coordination of disclosing and collecting resale fees associated with residential resales. The Executive Director works closely with the Director of Financial Operations in this effort.

**307.4 Introduction:** DC Ranch Association's mission statement is as follows: To serve all DC Ranch Stakeholders through the professional management and protection of the community's fiscal and environmental assets. DC Ranch Association delivers high quality and consistent operations, landscape, maintenance and security services with an emphasis on customer care and open communication that result in sustained property values and exceptional quality of life.

**307.5 Disclosure Fee:** A fee of \$400 (~~from \$350~~) will be charged and collected at closing upon notification of a resale property transaction. Pursuant to Arizona Revised Statute §33-1806 ~~the following items will be submitted completed~~ within ten (10) calendar days ~~after notification to of a request by~~ the Association ~~of a resale, pursuant to Arizona Revised Statute §33-1806:~~

**307.5a** Disclosure documents ~~prepared and~~ made available electronically to buyer via a third-party disclosure website. This includes ~~a copy of a~~ the demand statement listing all fees due to DC Ranch Association and DC Ranch Community Council, Bylaws, CC&Rs, financial reports, reserve reports, rules and regulations, budgets, etc.

**307.5b** ~~A Demand~~ statement prepared and made available electronically to title, listing all disclosure fees, assessments, and amounts due to the Association at close of escrow.

**307.5c** ~~This process applies to~~ ~~includes the~~ internal transfers of a property within the DC Ranch Association ~~and DC Ranch Community Council.~~

**307.6 CC&R Conformance ~~pliance~~ Inspection Fee:** A fee of \$100 for all residential resales, ~~\$100 per acre for all developed commercial parcels and \$50 per acre for all undeveloped commercial parcels commercial,~~ will be charged to ensure all properties are in ~~conformance compliance~~ with ~~the~~ DC Ranch ~~Association~~ governing documents.

**307.6a** External inspection of the property by DC Ranch ~~Association~~. Per A.R.S. §33-1806(e), DC Ranch ~~Association~~ is required to perform an inspection of the property to furnish a statement of any alterations or improvements to the property that ~~do not conform to the governing documents, violate the declaration.~~ This inspection ~~is will not be~~ optional. ~~It and will addresses include any~~ ~~unapproved~~ architectural, ~~or~~ landscape alterations ~~and or other~~ improvements to the property. The inspection report ~~is will be~~ provided to the requesting title company within ten (10) calendar days of the initial disclosure request to be disseminated between buyer, seller and agents.

**307.6b** Any ~~concerns issues~~ not corrected prior to close of escrow will ~~become the responsibility of the buyer to correct, given up to 180 days from the date of closing to remedy the issue and the buyer will assume responsibility for the violation.~~ DC Ranch ~~Association is not will not be~~ liable for any ~~resale~~ cancellations due to the ~~Compliance I~~ inspection report.

**307.7 HomeWise Doc Service Fee:** A ~~\$25~~ fee ~~of \$25 charged from by~~ HomeWiseDocs.com will be charged at close of escrow for use of its website and ~~for the~~ electronic transmission of information between DC Ranch ~~Association~~, the title company, and buyer.

~~**307.8 Community Council Transfer Fee:** A fee equal to 1/2 of 1% of the gross sales price will be charged and collected at close of escrow.~~

~~307.8a The transfer fee funds the operations of the DC Ranch Community Council which include operating two community centers, funding events, programming and maintaining DCRanch.com, and publishing Ranch News.~~

**307.9 Rush Fee:** A fee of \$100 will be charged and collected at close of escrow for any disclosure requests requiring response in less than ten (10) calendar days. DC Ranch Association will provide requested documents within three (3) business days after receiving of a rush request.

Approval Date: \_\_\_\_\_

Attested to by: \_\_\_\_\_ Date \_\_\_\_\_  
Board Secretary

Proposed