



# ARIZONA HOUSE OF REPRESENTATIVES

Fifty-seventh Legislature  
First Regular Session

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## **HB 2322: condominiums; commercial structures; residential structures**

**Sponsor: Representative Weninger, LD 13**

**Caucus & COW**

### **Overview**

Provides requirements for the allocation of common expenses for condominiums that include commercial structures that are separate from residential structures.

### **History**

A condominium association imposes an assessment on each unit owner to defray the cost of common expenses. Common expenses are expenditures made by or financial liabilities of the association. Generally, common expenses include costs for maintaining, repairing and replacing the common elements of the community. Statute dictates that any common expense associated with the maintenance, repair or replacement of a limited common element to be equally assess against the units to which the limited common element is assigned and a common expense benefitting fewer than all of the units to be assessed exclusively against the units benefitted ([Title 33, Chapter 9, A.R.S.](#)).

### **Provisions**

1. Stipulates, for condominiums that include a commercial structure that is separate from a residential structure, all the following apply:
  - a) any common expense or portion of a common expense that exclusively benefits the commercial structure must be assessed exclusively against the units in the commercial structure;
  - b) any common expense or portion of a common expense that exclusively benefits the residential structure must be assessed exclusively against the units in the residential structure;
  - c) any common expense or portion of a common expense that exclusively benefits both the commercial and the residential structures must be assessed in proportion to the structures benefitted on a pro rata basis.
  - d) in any dispute over the allocation of a common expense or portion of a common expense, the association bears the burden of proving that it is in compliance with allocation requirements of assessing common expenses. (Sec. 1)
2. Defines pertinent terms. (Sec. 1)
3. Makes technical changes. (Sec. 1)
4. Applies the allocation of common expense assessment requirements to condominiums existing after the effective date. (Sec. 2)

☐ Prop 105 (45 votes)

☐ Prop 108 (40 votes)

☐ Emergency (40 votes)

☐ Fiscal Note

## **Amendments**

### *Committee on Commerce*

1. Removes language relating to the association's responsibility to proof compliance with allocation of common expenses.
2. Adds the requirement for the association, in any dispute of common expense allocations, to make available all records relating to the association's common expense allocations.
3. Prohibits the association from withholding a record based on the pendency of litigation relating to common expense allocations if the record would otherwise be available to a unit owner.
4. Makes technical changes.