

381.9203 Documentation to be furnished by seller of unit -- Certificate.

- (1) Except as provided in KRS 381.9201(2), a seller of a unit shall furnish to a purchaser or purchaser's agent before execution of any contract for sale of a unit, or otherwise before conveyance, a copy of the declaration, other than the plats and plans, and a copy of the bylaws, the rules or regulations of the association, and a certificate, current to the date of issuance and signed and dated by the association's manager or authorized agent, containing:
 - (a) A statement disclosing the effect on the proposed disposition of any right of first refusal or other restraint on the free alienability of the unit;
 - (b) A statement setting forth the amount of the monthly common expense assessment and any unpaid common expense, emergency assessment, or special assessment currently due and payable from the selling unit owner;
 - (c) A statement of any other fees payable by unit owners;
 - (d) A statement of any capital expenditures anticipated by the association for the current and, if known, next two (2) fiscal years;
 - (e) A statement of the amount of any reserves for capital expenditures, if any, and of any portions of those reserves designated by the association for any specified projects;
 - (f) The most recent regularly prepared balance sheet and income and expense statement, if any, of the association;
 - (g) The current operating budget of the association;
 - (h) The date of the most current financial report prepared for the association pursuant to KRS 381.9197;
 - (i) A statement of any unsatisfied judgments against the association, the status of any pending suits in which the association is a defendant, or any pending suits in which the association is a named party and the amount in dispute or contest is more than ten thousand dollars (\$10,000);
 - (j) A statement describing any insurance coverage maintained by the association or an attachment of a certificate of insurance issued to the association; and
 - (k) If any portion of the condominium is situated upon a leasehold estate, a statement of the remaining term of any leasehold estate affecting the condominium and the provisions governing any extension or renewal thereof.
- (2) The association shall, within ten (10) days after receipt of a written request by a unit owner, furnish a certificate containing the information necessary to enable the unit owner to comply with subsection (1) of this section. A unit owner or unit owner's agent providing a purchaser with the certificate issued pursuant to this subsection shall not be liable to the purchaser for any erroneous information provided by the association and included in the certificate.
- (3) A unit owner or unit owner's agent shall not be liable to a purchaser for the failure or delay of the association to provide the certificate in a timely manner, but the sales contract is voidable by the purchaser until the certificate has been

provided and for five (5) days thereafter or until conveyance, whichever first occurs.

(4) An association may not deny the validity of any statement in the certificate.

(5) Failure to provide a certificate does not void a deed to a purchaser.

Effective: April 11, 2012

History: Amended 2012 Ky. Acts ch. 99, sec. 10, effective April 11, 2012. --
Created 2010 Ky. Acts ch. 97, sec. 52, effective January 1, 2011.