

## Explanation of Differences Between Condo and PUD

1. Condo – the entire development, including buildings and property, are owned by an individual or company. The owner is responsible for all repairs and maintenance of the buildings and the common areas and for insurance on the buildings. A maintenance fee is charged to buyers of individual units which is sufficient to cover M&R expenses and insurance. The buyer of an individual unit only owns the inside, or shell, of the unit and insures only that portion of the unit. In addition to the maintenance fee, the buyer is also responsible for property taxes on their unit. A homeowners association consisting of owners of the units is responsible for oversight of the community according to the covenants and restrictions as adopted and approved by the homeowners.
2. PUD (Planned Unit Development) – each unit and the property surrounding it, as designed on a plat map, is owned by an individual owner. The common areas and facilities are owned by a homeowners association consisting of all homeowners. The HOA is managed by a board of directors responsible to the homeowners in accordance with the governing documents adopted by the homeowners. These documents include the Charter of the HOA, the Bylaws, and the Covenants, Conditions and Restrictions. These documents contain information as to what services the HOA is responsible for and what the individual homeowner is responsible for. Whereas in a condo, the HOA is usually responsible for all aspects of maintenance and repair of building exteriors and property, this is not the case with a PUD. Since the individual owner not only owns the building but the property as well, the owner is responsible for certain areas of maintenance.
3. Homeowners must carry full homeowners insurance on their units. The Association only insures the common areas and facilities.

4. The CCHOA Covenants state that the HOA shall provide exterior maintenance as follows: paint, repair, replacement and care of roofs, gutters, downspouts and exterior building surfaces (siding). In addition to these services, the HOA is also responsible for maintenance of common areas and facilities, and for upkeep of the streets, which are owned by the HOA. These major projects are funded through a monthly maintenance fee paid by the homeowners. Any other routine cleaning, along with maintenance of lawns (other than weekly mowing) is the responsibility of the owner as the individual unit and the property it stands on are totally owned by and are the responsibility of the owner.