

EXHIBIT — OWNER RIGHTS TO ASSOCIATION RECORDS (NEW JERSEY LAW)

This exhibit summarizes the legal basis for owner access to Association records, including financial documents, contracts, safety records, and inspection reports.

These rights arise from multiple New Jersey statutes and are **not discretionary**. They exist to allow owners to understand how their Association operates, how funds are used, and whether health and safety obligations are being met.

1. Statutory Right to Financial Records, Contracts, and Invoices

N.J.S.A. 46:8B-14(g) — New Jersey Condominium Act

The Association is required to:

- Maintain accounting records in accordance with **generally accepted accounting principles (GAAP)**
- Maintain those records in the ordinary course of business
- Make those records **generally available to unit owners at reasonable times**

GAAP-compliant records include:

- Contracts (including management and vendor agreements)
- Invoices and billing records
- Vendor payments and disbursement records
- General ledgers and financial statements
- Supporting documentation for expenditures

Implication:

The management contract, pool-related invoices, vendor payments, and supporting financial records are required to be maintained and are **generally required to be made available for owner inspection**.

2. Broad Right to Inspect Books and Records

N.J.S.A. 15A:5-24 — New Jersey Nonprofit Corporation Act

Members have the right to inspect:

- Books and records of account
- Meeting minutes
- Membership records
- Other corporate records of the Association

This right applies when a request is made for a **proper purpose**, including:

- Reviewing expenditures and financial decisions
- Investigating potential mismanagement
- Evaluating vendor performance
- Assessing compliance with health and safety obligations

Implication:

Requests related to pool safety, vendor performance, financial oversight, and operational decisions **meet the statutory standard of proper purpose**.

3. Pool Health Inspection Reports and Related Safety Records

Pool inspection reports issued by the local health department are:

- **Public records** under the New Jersey Open Public Records Act (OPRA)
- Directly obtainable from the issuing agency

They also qualify as Association-related records because they relate to:

- Common area safety
- Vendor performance
- Regulatory compliance
- Ongoing Association operations

Implication:

These records are publicly accessible and, when maintained or relied upon by the Association, are **generally expected to be available to owners**, absent a valid legal basis for withholding.

4. Transparency Requirements Under the Radburn Amendments

P.L. 2017, c.106 (Radburn Act Amendments)

These provisions emphasize:

- Open governance
- Transparency in Association operations
- Owner access to information necessary to evaluate Board actions and performance

Implication:

Withholding operational, financial, or safety-related records **conflicts with the transparency objectives of New Jersey law** and undermines the ability of owners to evaluate Board decisions.

5. Statutory Duty to Maintain Common Elements Safely

N.J.S.A. 46:8B-14(a)

The Association must:

- Maintain common elements in good repair
- Comply with applicable **health and safety laws and regulations**

Implication:

Where safety issues or violations occur, owners are entitled to review records necessary to evaluate compliance, including:

- Inspection reports
 - Vendor contracts
 - Invoices and expenditures
 - Documentation of corrective actions
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6. Vendor Contracts Are Association Records

Contracts with vendors:

- Are Association financial records
- Form part of GAAP accounting documentation
- Are maintained in the ordinary course of business

There is **no general statutory basis** to classify standard vendor contracts as confidential in a way that categorically prevents owner review.

Implication:

Vendor contracts are **generally subject to inspection**, and any limitation on access requires a **specific and valid legal basis**.

7. Right to Review Corrective Actions and Accountability

Where safety or compliance issues arise, owners may reasonably request:

- A written remediation plan
- A timeline for corrective action
- Documentation of steps taken
- Evidence of vendor performance and accountability

This right arises from:

- The Association’s statutory maintenance obligations
- The Board’s fiduciary duty to act in the interest of all members
- The need for transparency in addressing health and safety concerns

Implication:

Owners are entitled to **meaningful transparency** regarding how identified problems are addressed—not simply acknowledgment that issues exist.

CONCLUSION

New Jersey law provides multiple, overlapping rights for owners to access Association records.

These rights include:

- Financial records
- Contracts and vendor agreements
- Safety documentation
- Inspection reports
- Records of corrective action

These obligations are **mandatory** and are **not subject to Board discretion**, except where a specific and valid legal limitation applies.

FACTS AND QUESTION FOR THE BOARD

Fact: The records exist.

Fact: The law requires they be maintained.

Fact: The law generally requires they be made available.

Question for the Board:

If these records are not being provided, **what is the specific legal basis for withholding them?**