



## Curiosity Not Enough to Look At All Club Records

**‘Proper purpose’ can open more access**

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**By Joe Adams**

jadams@becker-poliakoff.com

TEL (239) 433-7707

FAX (239) 433-5933

**Q:** I belong to a private country club that is not a mandatory membership association. I have asked to see certain contracts, and was told that I do not have the right to review contracts. Is that correct?  
**H.Z. (via e-mail)**

**A:** The laws applicable to mandatory membership associations (condominium associations, cooperative associations, and homeowners’ associations) contain very broad rights for association members regarding the inspection of corporate records. In the association context, the members are basically entitled to inspect every record the association has, unless the record is protected by some type of privilege or exemption in the statute. The most prevalent exemptions in these statutes involve attorney-client privileged information, medical records, private financial information, and other sensitive personal information regarding other association members.

In the private country club context, the law is different. Inspection rights are not governed by any of Florida’s housing statutes, but rather by Florida’s Not-For-Profit Corporation Act, Chapter 617.

Section 617.1601 of the statute sets forth the records which not-for-profit corporations are mandated to keep. These include minutes, the corporate documents (articles of incorporation and

bylaws), and written communications to all members for the past three years. Pursuant to Section 617.1602 of the law, a member of a corporation is entitled to inspect and copy, during regular business hours at the corporation’s principal office, the corporate documents, minutes, and written communications.

However, in order to inspect other corporation records, the member must state why he or she is asking for the records and demonstrate a “proper purpose.” The law defines a “proper purpose” as a “purpose reasonably related to such person’s interest as a member.”

Although the “proper purpose” standard is not a very difficult standard to show, you do need to demonstrate the reason you are asking for the records, which cannot be mere curiosity.

**Q:** If our condominium association obtains title to a unit through foreclosure, does the association’s master insurance policy cover interior furnishings which are typically required to be insured by the individual unit owner? **C.T. (via e-mail)**

**A:** I doubt it.

Most condominium master insurance policies which I have read only require the insurer to insure those portions of the condominium property which

the condominium documents and state statute obligate the association to insure.

Although your association should obviously check with its insurance advisors, I suspect the association would need to purchase a separate unit owner's policy, usually called an HO-6 policy, if it wishes to insure those items in an association-owned unit which are generally the unit owners' insuring responsibility. In general, these include floor, wall, and ceiling coverings, electrical fixtures, appliances, water heaters, water filters, built-in cabinets and countertops, and window treatments, including curtains, drapes, blinds, hardware, and similar window treatment components, or replacements of any of the foregoing.

**Q:** If the windows in my condominium unit were damaged due to an attempted break-in, is the association responsible for the repair expense?

**H.H. (via e-mail)**

**A:** It depends.

Typically, the declaration of condominium will describe who is responsible for maintenance, repair, and replacement of the windows. Generally speaking, that party would be responsible for the repair.

There may, however, be another way to look at the situation. Pursuant to a 2008 change to the law, a condominium association is liable for "casualty" damage that would be covered under the association's insurance policy, but for which insufficient insurance proceeds are available, usually due to the deductible. This is the so-called "Plaza East Rule." An association can, by majority vote, opt out of the Plaza East Rule.

If the damage to your window was considered a "casualty" and/or covered by the association's master insurance policy through vandalism or malicious mischief coverage, the repair may be an association responsibility, regardless of any provision in the condominium documents, under the Plaza East Rule. A careful review of your condominium documents would also be required to further explore this theory as well.

*Mr. Adams concentrates his practice on the law of community association law, primarily representing condominium, co-operative, and homeowners' associations and country clubs. Mr. Adams has represented more than 600 community associations and serves as managing shareholder of the Firm's Naples and Ft. Myers offices.*

*Send questions to Joe Adams by e-mail to [jadams@becker-poliakoff.com](mailto:jadams@becker-poliakoff.com) This column is not a substitute for consultation with legal counsel. Past editions of this column may be viewed at [www.becker-poliakoff.com](http://www.becker-poliakoff.com).*