

(III) The notice given pursuant to this subsection (1)(c) must also contain a description of the nature of the construction defect action, which description identifies alleged defects with reasonable specificity, the relief sought, a good-faith estimate of the benefits and risks involved, and any other pertinent information. The notice shall also include the following disclosures:

1. The alleged construction defects might result in increased costs to the association in maintenance or repair or cause an increase in assessments or special assessments to cover the cost of repairs.

2. If the association does not file a claim before the applicable legal deadlines, the claim will expire.

3. Until the alleged defects are repaired, sellers of units within the common interest community might owe unit buyers a duty to disclose known defects.

4. The executive board (intends to enter) (has entered) into a fee arrangement with the attorneys representing the association, under which (the attorneys will be paid a contingency fee equal to _____ percent of the (net) (gross) recovery of the amount the association recovers from the defendant(s)) (the association's attorneys will be paid (an hourly fee of \$_____) (a fixed fee of \$_____)).

5. In addition to attorney fees, the association may incur up to \$_____ for legal costs, including expert witnesses, depositions, and filing fees. The amount will not be exceeded without the executive board's further written authority. If the association does not prevail on its claim, the association may be responsible for paying these legal expenses.

6. If the association does not prevail on its claim, the association may be responsible for paying its attorney fees.