

Anatomy of a Special Action

**AZNH Revocable Trust v. Sunland
Springs Village HOA & ADRE**



Jurisdiction:	Maricopa County Superior Court
Case No.:	CV2026-008484
Presiding:	Hon. Adele Ponce

PLAINTIFF: AZNH Revocable Trust

Objective:

Compel ADRE to issue a statutory default decision and halt OAH proceedings.

Stance:

The HOA's submitted response was an unauthorized fraud; therefore, legally, no response was filed.

DEFENDANT: Sunland Springs Village HOA

Objective:

Defend the legitimacy of the submitted response and dismiss the Special Action.

Stance:

The response was timely filed by the Board President. Under apparent authority, it legally binds the corporation.

**The Contested
ADRE Petition**

(File # 25F-H115-REL)

DEFENDANT: Susan Nicolson, ADRE / Tammy Eigenheer, OAH

Objective:

Maintain neutrality, avoid fee liability, and dismiss based on mootness.

Stance:

ADRE is a pure administrative conduit with no authority to investigate fraud. The plaintiff skipped the April 6 administrative hearing, making the case moot.

THE TRIGGER

AZNH files an HOA dispute petition with ADRE.

THE DISPUTED ACTION

HOA President signs and submits a Response to ADRE.

evidence tag
"Without the HOA Board's authorization, the HOA President signed a Response..."
- AZNH Complaint

THE ADMINISTRATIVE HANDOFF

ADRE receives the document and forwards it to OAH for a contested hearing, bypassing the default judgment mechanism.

THE EMPTY CHAIR

April 6, 2026. The OAH Hearing occurs. AZNH refuses to appear, claiming OAH lacks jurisdiction. The Administrative Law Judge dismisses the case.

THE JUDICIAL ESCALATION

AZNH files the current Special Action in Superior Court (CV2026-008484) seeking injunctions and a mandate for ADRE to issue a default judgment.

The Procedural Fork: A.R.S. § 32-2199.01(E)



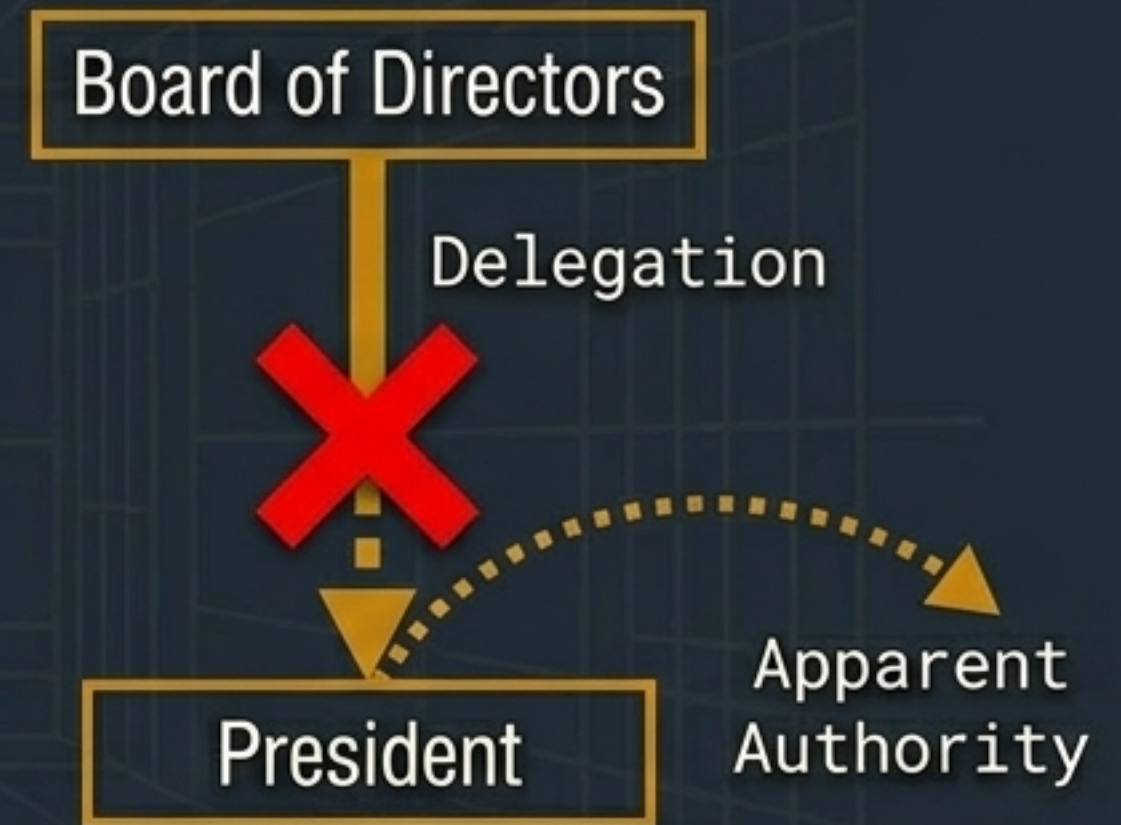
The Corporate Authority Break (A.R.S. § 10-3801)

AZNH's Argument



All corporate powers rest with the Board. The Articles of Incorporation forbid delegation. The President acted as a rogue agent. Therefore, the signature is a legal nullity.

HOA's Counter-Argument



Citing *Miller v. Mason-McDuffie Co.* (153 Ariz. 585). Even if acting outside actual authority, a corporate officer's actions bind the corporation externally. The response is legally valid.

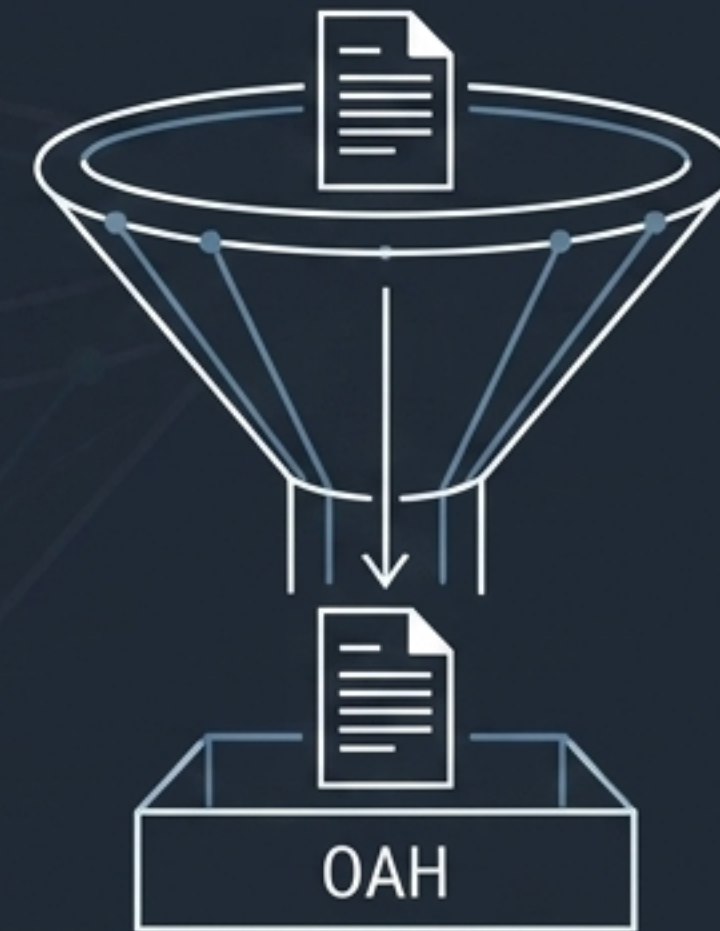
ADRE's Role: Conduit vs. Gatekeeper

AZNH's Expectation



Plaintiff argues ADRE has a duty to recognize “fraud” and reject unauthorized filings before passing them through. Because the filing was invalid, ADRE had a non-discretionary duty to issue a default.

ADRE's Statutory Reality



ADRE argues it lacks statutory authority to “go beneath the face of the pleadings.” If a response exists, ADRE must promptly refer it to OAH (A.R.S. § 32-2199.01(D)). Only an ALJ can adjudicate validity.

Stakeholder Stance Matrix

	AZNH (Plaintiff)	Sunland Springs HOA	ADRE Commissioner
Validity of Response	Fraudulent & Void (No authority).	Legally Binding (Apparent authority).	Neutral (No jurisdiction to evaluate).
ADRE Default Duty	Mandatory (Since response is void).	N/A (Response was filed).	Prohibited (Can only default if purely blank).
OAH Jurisdiction	Lacks Subject Matter Jurisdiction.	Proper Adjudicative Body.	Proper Adjudicative Body.
Case Mootness	April 6 dismissal is irrelevant.	Case is dead.	Plaintiff failed to appear; case is moot.
Fee Liability / Status	ADRE advocated; lost fee immunity.	Seeks own fees.	Purely nominal; immune from fees.

Flashpoint: Mootness & Administrative Exhaustion

On April 6, 2026, AZNH intentionally did not appear at the scheduled OAH administrative hearing. The ALJ dismissed the case.

ADRE's Argument

Stance: Failure to Exhaust Administrative Remedies.

AZNH should have raised the corporate authority/fraud issue in front of the ALJ on April 6.

By abandoning the hearing, they waived their rights.

The Special Action is moot.

AZNH's Counterclaim

Stance: The hearing was a legal nullity.

Special Action rules (RPSA 4) allow challenging an agency exceeding its jurisdiction at any time.

Furthermore, A.A.C. R2-19-117 dictates that if a party fails to appear, the ALJ must return the matter to the agency, giving ADRE another chance to issue the default.

Flashpoint: The Loss of Nominal Immunity

State agencies are generally immune from paying attorney fees (A.R.S. § 12-348) if they act only as a "nominal party".

ADRE's Defense

"Asserting jurisdictional defects... does not defeat nominal party status."
(Mills v. Ariz. Bd. of Tech. Registration)

ADRE simply answered the complaint and raised affirmative jurisdictional defenses (mootness, exhaustion).

They are not taking a side on the underlying HOA dispute.



AZNH's Attack

"Abstention from actively participating as an advocate is a necessary condition..."
(Cortaro Water Users' Ass'n v. Steiner)

By filing a Motion to Dismiss and actively advocating for the HOA's response to be treated as valid, ADRE crossed the line into advocacy.

They are now jointly and severally liable for AZNH's legal fees.

The Judicial Decision Tree (Hon. Adele Ponce)

