

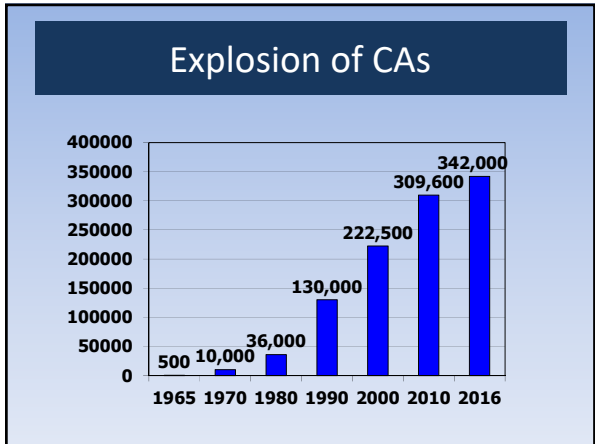
## What Every Realtor® Needs to Know About Homeowner and Condominium Associations

Charlotte Regional REALTOR® Association  
May 2, 2018






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### Community Associations




- 342,000 associations
- 69 million members
- N.C. 5<sup>th</sup> highest
- 13,900 NC associations

### Today



- Differences
- Governing Documents
- Owner Obligations
- Broker® Forms
- Legislative/Case Law Update
- Resources


### Two Types of CAs Documents



HOA

Condominium

### Governing Documents



Declaration

↑

Articles of Incorporation


↑

Bylaws

↑

Board Policy

## Governing Law



- Federal Law
- State Statutes
- Municipal Ordinances


## N.C. Statutes

- N.C. Unit Ownership Act § 47A
- N.C. Condominium Act § 47C
- N.C. Planned Community Act § 47F
- N.C. Nonprofit Act § 55A

## Main Obligations

- Pay Assessments
- Abide by the restrictions

## Assessment Collection




- Notices
- Claim of Lien
- Board Resolution
- Foreclosure Notice
- Order
- Sale

## Collection Problems



- Bankruptcy
- Lender Foreclosure

## Legislative Proposal

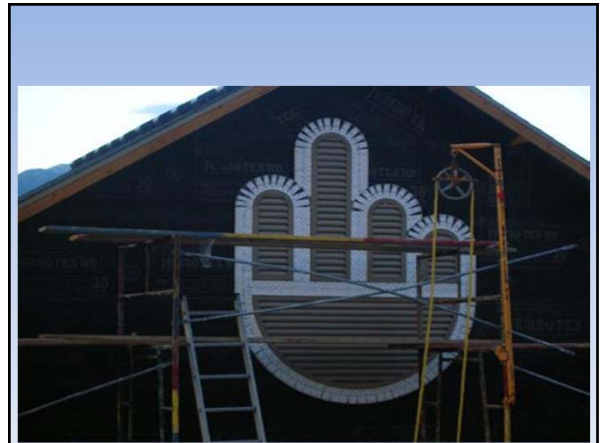


H.B. 175  
*No HOA's Home Foreclosures*

Bill would prohibit homeowner and condominium associations from foreclosing on association assessment liens.

## Abide by Restrictions

*Approval of new construction and modifications.*



## ARC Approval




- Submit Plans
- Deadline to Respond
- Reasoning for Denial
- Consistency

## Enforcement



- Notice the Violation
- Notice of Hearing
- Deliberate and Decide
- Notice of Decision

## N.C. Law



**H.B. 1541  
Homeowner  
Association  
Amendments**

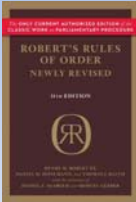
Except as otherwise provided in the bylaws, meetings of the association and the executive board shall be conducted in accordance with the most recent edition of *Robert's Rules of Order Newly Revised*.

## Board Meetings



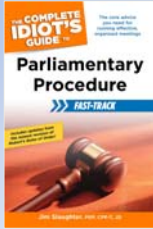
- Recognition
- No Seconds
- Debate Not Limited
- Chair Less Formal
- Chair Participates and Votes

## Finding *Robert's Rules*



*Robert's Rules of Order Newly Revised  
(11th Edition)*

## Newer Book

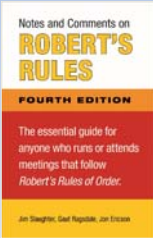


*"If you are about to take on any leadership role in any organization, this book is a must read."*

Anne L. Bryant, Executive Director  
National School Boards Association

*Complete Idiot's Guide to  
Parliamentary Procedure*

## Newer Book




*"For anyone who has felt hog-tied and browbeat by parliamentary procedure, I second the motion to get this book."*

President Dennis Van Roekel,  
National Education Association

*Notes and Comments on Robert's Rules*

## Forms



*N.C. Resident and Non-Resident Homeowners' Association Dispute Resolution Statement*

## Offer to Purchase


- Seller pays to confirm account info
- Governing documents
- Budget
- Contact info President or manager
- Association Website

## 2A12-T Addendum


2. Seller represents to Buyer that the following services and amenities are paid for by the above owners' association(s) from the regular assessments ("dues"). (Check all that apply)

<input type="checkbox"/> Master Insurance Policy Including All Units	<input type="checkbox"/> Street Lights
<input type="checkbox"/> Real Property Taxes on the Common Areas	<input type="checkbox"/> Water
<input type="checkbox"/> Casualty/ Liability Insurance on Common Areas	<input type="checkbox"/> Sewer
<input type="checkbox"/> Management Fees	<input type="checkbox"/> Private Road Maintenance
<input type="checkbox"/> Exterior Building Maintenance	<input type="checkbox"/> Parking Area Maintenance
<input type="checkbox"/> Exterior Yard/Landscaping Maintenance	<input type="checkbox"/> Common Area Maintenance
<input type="checkbox"/> Trash Removal	<input type="checkbox"/> Cable
<input type="checkbox"/> Pest Treatment/Extermination	<input type="checkbox"/> Internet service
<input type="checkbox"/> Legal/Accounting	<input type="checkbox"/> Storm Water Management/Drainage/Ponds
<input type="checkbox"/> Recreational Amenities (specify): _____	<input type="checkbox"/> Gate and/or Security
<input type="checkbox"/> Other (specify): _____	

Page 1 of 2




This form jointly approved by:  
North Carolina Bar Association  
North Carolina Association of REALTORS®, Inc.



STANDARD FORM 2A12-T  
Revised 7/2014  
© 7/2014

Form 2A12-T

## Legislative/Case Law Update



- **Legislative Update**
- **Case Law Update**

## Case Law Update

***Steiner v.***

***Windrow Estates Home***

***Owners Association, Inc.***



## Resources



NC-CAI



## Resources




## Resources



[www.lawfirmcarolinas.com](http://www.lawfirmcarolinas.com)

## Resources



[www.jimslaughter.com](http://www.jimslaughter.com)

## Closing Advice



- “Maintenance Free Living!”
- Don’t Represent Things
- Assume More Documents

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