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www.Pindell-Wilson.com

Frequently Asked Questions-Condominiums

****Disclaimer-** The information contained here is general in nature and is not intended to provide you with information for any specific association. Policies, Rules, and Governing Documents can vary widely from one association to another especially in condominiums. Please contact Pindell-Wilson or view our website at www.pwraleigh.com if you are seeking specific information concerning your association or to access its governing documents.

Assessments

Q. What is a homeowner's or condo association?

A. A homeowner's or condo association is an incorporated entity in which all members that have purchased a home within the subdivision have agreed to be subjected to association assessments and to abide by a Declaration of Restrictive Covenants. An HOA is an organization in a subdivision, planned community or condominium that makes and enforces rules for the properties in its jurisdiction. HOA's also collect assessments to pay for upkeep of common grounds, professional management, roof replacement, exterior building maintenance, parking lots, common areas such as parks, tennis courts, elevators and swimming pools. HOA's collect regular assessments and can levy special assessments on homeowners when the association lacks sufficient reserves to pay for unexpected repairs.

Q. What is a condominium?

A. A condominium is a form of home ownership in which individual units of a larger complex are sold. These units may be in renovated apartments, townhouses, or even commercial warehouses. Those who purchase units in a condo typically own everything from their walls inward. However, what constitutes the condo "unit" varies greatly depending on the covenants for the Association. Please contact your management company for clarification or specific questions on your condo. All of the individual homeowners have shared rights to most common areas, such as the elevators, hallways, pools and club houses. Maintenance of these areas becomes the responsibility of an association. Additionally, some condominium associations have certain property that is defined as "limited common areas" that serve more than one but fewer than all units. Every owner owns a share of interest in the association, plus an obligation to pay monthly dues or special assessment fees for larger maintenance problems.

Q. What are my homeowner's assessments (dues) and what are they used for?

A. Paying assessments (most commonly referred to as "dues") are an obligation of the owner. All income collected is used to pay for the various common expenses that your association may incur. Expenses that the HOA may be responsible for, such as common area landscaping, power washing, parking lot, mulch, siding replacement, mailings, annual tax filing, sign maintenance, electricity, water, irrigation, insurance, reserve savings, building repairs, maintenance, amenities, legal fees, management fees, and much more.

Q. Who determines what the dues are spent on?

A. The Board of Directors for the association works closely with the management company to determine the budget for each year. Some expenses are constant from year to year, such as utilities and trash removal services, where others may be optional, such as special projects that are only done every few years like painting or parking lot sealing. During the budget process the Board of Directors will look at the income and expenses as well as the future needs of the association to determine the amount of the dues for the next year.

Q. What happens if I do not pay my dues?

A. After the deadline to make payment passes you will receive a late notice along with a \$20 late fee. The next month if the dues have still not been paid you will receive a 15 day final demand letter and another \$20 late fee. The 15 day letter is the last opportunity to pay in full or contact the management company to make payment arrangements before the account is turned over to a collection attorney. There will be a \$20 late fee added to the balance for every month the dues are not paid in full. The collection attorney is employed by the association and per the covenants and N.C. state statutes; the homeowner is responsible for all HOA dues, late fees, legal costs and court costs. After an account goes to collections the owner will receive a demand letter from the attorney, approximately 15 days after that, a lien will be filed on the home. A lien is valid for up to 3 years and at any time the board can decide to initiate foreclosure of the lien on the property. Past-due accounts are a very serious matter as the HOA has the power to foreclose on your condo and evict the occupants for unpaid assessments (dues). It is always recommended that owners contact us immediately if they are having financial difficulty and arrange a reasonable payment plan.

Governance

Q. Who handles the affairs of the association and is responsible for making the decisions of the association?

A. The Board of Directors for your association has a fiduciary duty to make decisions that are in the best interest of the association. Per the Covenants and By-Laws, each member of the Board has certain responsibilities they must perform. Many of the Board's responsibilities are delegated to the management company; however, the Board is ultimately responsible to ensure that everything is being done properly and in accordance with the governing documents. The Board is either selected by the developer (while the community is new or under construction) or elected from amongst the membership at the annual meeting.

Q. What are the governing documents?

A. They vary greatly by association, but simply put, the Articles of Incorporation are done when an association is first formed and is filed with the state of N.C. and it creates the corporate entity that is the association. The By-Laws are written as a guide on how to govern the corporation (association). The Declaration of Covenants and Restrictions affects all the lots in a subdivision or condominium after it has been recorded in the land records by the developer. Any purchaser that buys a lot or unit is subject to the terms and provisions set forth in the Declaration. Restrictive Covenants can govern lot size, building type and use, square footage of dwellings, garage size, architectural style, building lines, construction of out buildings, construction of pools, fences, shrubs, wetland buffer zones, noise, pets, etc. Fees are assessed for upkeep and maintenance of common areas within a subdivision. The foregoing is only a small sampling of terms and provisions that can be included. Rules and Regulations and Architectural Guidelines are adopted by the Board of Directors.

Q. Where are the governing documents found?

A. You should have received a copy from your real estate agent or closing attorney when you bought your home, but we host most of the governing documents on our website, www.pwraleigh.com. However, often there are numerous amendments made by the developer and recorded with Wake County. All of these are available to you as part of the public record by searching on the Wake County Register of Deeds website.

Q. How can I communicate with the Board?

A. Please keep in mind that the Board members are volunteers made of up your fellow owners and as such have jobs and other responsibilities so they may not be available immediately. The best way to be heard is to send your message or concern in writing to the management company and we will forward that on to the Board. You also have the right to attend the board meeting and be heard in a "homeowner's forum" if you desire. Just call Pindell-Wilson and we will let you know the date and time of the next board meeting.

ARCHITECTURAL

Q. When do I need architectural approval from the HOA?

A. Per the Declaration of Covenants and Restrictions, any time you are doing work that will alter the appearance of the home or lot from the exterior. If you are repairing something back to its original state approval is not required. No changes should ever be made to the common property without approval. Some examples of projects that do require approval are: adding a deck, installing yard decorations, removing trees, changing exterior color of the home or siding material, shutters, roof shingles, front door, adding storage sheds, retaining walls, adding trees, children's playhouses, major landscape projects, and much more. Some projects that do not require approval are: painting the house the same color, changing roof shingles if they are the same color & style, putting up seasonal holiday lights and decorations, (within reasonable tastes and time frames), repairing existing decks, sheds, and structures.

Q. How do I obtain architectural approval?

A. The first step is filling out the Architectural Change Request Form. This form is available on our website or by contacting your association manager. The process of obtaining approval can take up to 30 days, and as long as 60 in some associations, from the date the form is submitted so please get the process started well in advance of the date you would like to begin your project. Under no circumstances should work begin prior to approval being obtained. Completion of unauthorized projects may result in disciplinary action against you through fines of up to \$100 per day and the association taking legal action to obtain a court order to force removal of the unauthorized project. All architectural requests are reviewed by the designated architectural committee in your community.

Q. Are Satellite Dishes ok?

A. Satellite dishes should never be installed on common condominium property such as grounds, exterior of building, or roof without written permission from the Association.

GENERAL QUESTIONS

Q. Does the HOA own the outside of my home?

A. Typically, yes, as defined in the covenants, all owners own a percentage of the common property which includes everything in the condo community but the condo unit itself. Depending on the language contained in your documents the limited common area may be owned commonly or be part of the unit.

Q. My neighbor's dog is barking and they are not picking up after their dog, what should I do?

A. The management company would be happy to send a letter to the offending owner, just call us and give us their address. If the dog is barking after 11pm you can contact the police for violation of the noise ordinance. Also, most towns, cities, and counties have rules regarding picking up after pets. Please report those that are not cleaning up after their pet to the local Animal Control department. Also, please report any dogs that are running loose to Animal Control. If you know the address of where the dog's owner lives, please also call Pindell-Wilson.

Q. My neighbor is playing loud music, what should I do?

A. First try to contact the neighbor directly and resolve the issue amicably, if that is unsuccessful, the next step is to call the police if the noise is after 11pm or if you believe it is in violation of the local noise ordinance.

Q. Who handles the street maintenance and signs?

A. This is commonly handled by your local municipality- NCDOT, Wake County, Raleigh, Fuquay, Cary, Garner, Zebulon, Durham, etc. and not the HOA. The streets, sewers, drains, stop signs, road signs, etc. are public property and the HOA has no authority or responsibility to maintain them. The only exceptions are when the streets are privately owned by the HOA or the covenants state otherwise. Many condo communities do have private streets or parking lots that are maintained by the HOA, so please ask your management company if you are uncertain if your streets are public or private.

Q. What if I rent out my home, move, or otherwise still own the home but do not live there?

A. Please be sure to provide us with your new mailing address each time it changes. This is very important because if the new address is not provided to us, all mail will continue to go to the property instead of where you, the owner, are living. Most often the tenants do not forward the mail to you and you may miss very important mailings from the association. The association holds owners responsible for the actions of their tenants so it is very important we have a valid mailing address on file and a way to contact the owner of the property.

Q. I am selling my home, what do I need to do?

A. Please have your real estate agent contact us with any questions. Also, once the home is under contract and the closing date nears, have your closing attorney contact us to make sure we provide all of the most up to date and accurate information to them.

Q. I would like to contact Pindell-Wilson, what is the best way to do so?

A. There are several ways you can contact us, first would be through our website www.pwraleigh.com , by mail to: P.O. Box 20969 Raleigh NC 27619, by phone at 919-676-4008, by fax to 919-676-2721, by email to staff@pwraleigh.com or at our office at 264 W. Millbrook Road. Our office hours are Monday-Thursday 8:30am-5:00pm and Friday 8:30am-4:00pm.