obligated to pay and whether they may increase
of maintenance fees and assessments you will be
and assessments. The legal authority to increase
maintenance, insurance premiums, property taxes
development may include grounds’ upkeep, building
A: Yes.
Q: Can my homeowners’ dues be increased?
A: No.变化.
Q: Can the homeowners’ association tell me what I can
What happens if I do not abide by the restrictive
works?
A: Some problems may not be addressed by the
or the association may seek relief in court
questions. But, in most cases, a rule will be
appears in the bylaws or rules does not automatically
Over any of the association’s rules, it may be necessary
be fine to change the rules. Any change
in the bylaws to rules and regulations of the
association requires approval by the
members of the association or its executive board. Each
homeowners’ association is entitled to vote.
A: To some degree. The law allows you great freedom
take legal action against the developer; however, the individual
owners may be able to take legal action against a
developer who is causing problems in the development?
Q: Can the homeowners’ association employ a
management company to take care of maintenance, collect dues
and the staff of management companies are NOT required
to be licensed by the N.C. Real Estate Commission or any
other state agency so long as their management activities
do not involve the sale or rental of units. However,
licensed real estate brokers who manage homeowners’ associations
must adhere to the N.C. Real Estate License
Law and related rules. This includes keeping the collected funds of others in a trust account and maintaining records
of all collections and disbursements of these funds.
Q: Can an owner avoid paying assessments for the
assessments of property owners. You are less likely
to be shocked by fee increases if you have read this
guide prior to signing a purchase agreement.
A: To obtain your unit from a developer whose association
has not been subject to foreclosure by the homeowners
association.
Q: Can an owner avoid paying assessments for the
assessments of property owners. You are less likely
to be shocked by fee increases if you have read this
guide prior to signing a purchase agreement.
A: To obtain your unit from a developer whose association
has not been subject to foreclosure by the homeowners
association.
Q: Can an owner avoid paying assessments for the
assessments of property owners. You are less likely
to be shocked by fee increases if you have read this
guide prior to signing a purchase agreement.
A: To obtain your unit from a developer whose association
has not been subject to foreclosure by the homeowners
association.
Questions & Answers on: CONDOS & TOWNHOMES

In the past, home ownership typically involved a single-family house with a yard. But today, due to increased prices of single-family homes and changes in lifestyles, many people either cannot afford or simply prefer not to own traditional single-family homes. In response to their needs, alternative forms of home ownership have been developed. Among these is multifamily housing consisting of townhouses and condominiums (often referred to as "condos").

Purchasing a Condo or Townhouse

What’s the difference between a condo and a townhouse?

A: Condo unit owners own the entire unit, while townhouse unit owners own the complete unit, including exterior surfaces and the land on which the unit is built.

How will I know if there are restrictions on the use of my condo or townhouse, and what are they?

Q: A: Unit ownership in both condo and townhouse projects is subject to certain restrictions (called covenants). These are usually embodied in an official document called a “Declaration of Condemnations” or “Declaration of Restrictive Covenants” which is recorded at the county Register of Deeds office. The declaration describes the nature of the project and establishes rules and restrictions governing the use of the units and common areas. Examples of restrictions include but are not limited to limiting the property to residential use, requiring that units be a minimum size and certain architectural style, prohibiting certain changes to the property, and limiting who can live in the property, etc.

Are there any other legal differences between townhouses and townhomes?

A: Yes. The creation, sale, and management of condominiums are governed by specific statutes (the “Unit Ownership Act”) for condos created before October 1, 1986, and the “North Carolina Condominium Act” for condos created on or after October 1, 1986. There are no specific statutory provisions for townhouse developments, but guidelines and industry standards are used.

Will a closing attorney or real estate broker furnish you a copy of the bylaws or the declaration?

Q: A: Yes, the closing attorney or real estate broker furnishes you a copy of the bylaws or “Declaration of Condominium” and the “Declaration of Restrictive Covenants” which is recorded at the county Register of Deeds office. The declaration describes the nature of the project and establishes rules and restrictions governing the use of the units and common areas. Examples of restrictions include but are not limited to limiting the property to residential use, requiring that units be a minimum size and certain architectural style, prohibiting certain changes to the property, and limiting who can live in the property, etc.

Are there any special protections for condo or townhome purchasers?

Q: A: Maybe. If you are considering the purchase of a new condo and the developer (or the developer’s agent) must give you a public offering statement. This statement is prepared by the developer and contains important information about the size of the development, the projected completion date, the legal documents which govern the property, and the projected common expense assessment. If the closing attorney or the real estate broker fails to furnish you with a copy of the public offering statement before October 1, 1986, a condo that is not new, or a townhouse. And you have no automatic rights to cancel your purchase contract.

Does the developer have to finish the development?

Q: A: No. Subject to applicable local and state laws. If the developer has specifically committed to complete the development, it can stop construction of any units at any time and sell any remaining undeveloped portions of the development.

Are homeowners associations required to provide a “resale certificate”?

Q: A: No. The developer or homeowners’ association is not required to provide a “resale certificate” or any other form of legal protection to the investor. A loosening of the FHA’s guidelines for townhomes and condominiums will provide a resale certificate, a property owner may file a complaint with the developer’s business representative. Purchasers should be especially cautious when purchasing a condo or townhouse unit in a development that is not complete.

Who is responsible for maintaining the interior of my unit, and which unit owner pays for the maintenance of the exterior?

Q: A: For condos created before October 1, 1986, the unit owner pays for the maintenance of both the interior and exterior of their unit. For townhouses, the developers pay for the maintenance of the exterior of buildings. The homeowners’ association pays for the maintenance of the common areas and the exterior of buildings. However, prospective buyers should verify this before making offers. The association pays for this maintenance from homeowners’ dues, assessments, and other charges.

What’s a homeowners association?

A: Homeowners association is an organization of the property owners in a development, subdivision or neighborhood that manages and maintains the common areas such as open spaces, recreational areas, tennis

For townhouses and for condos created before October 1986, no law requires developers to provide a "resale certificate." The developer builds, and provides a promissory notice, a property owner may file a complaint with the developer’s business representative. Purchasers should be especially cautious when purchasing a condo or townhouse unit in a development that is not complete.