

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1999**

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HOUSE BILL 1124

Short Title: Townhome Association Reg. Study.

(Public)

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Sponsors: Representatives Mosley (By Request); Barefoot and Allred.

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Referred to: Rules, Calendar and Operations of the House.

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April 15, 1999

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE THE LEGISLATIVE RESEARCH COMMISSION TO  
2 STUDY THE REGULATION OF TOWNHOME ASSOCIATIONS.  
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Whereas, in 1986 the General Assembly enacted Chapter 47C of the General Statutes, the North Carolina Condominium Act, to regulate and protect the interests of condominium owners, but exempted many townhome associations; and

Whereas, in 1998 the General Assembly enacted Chapter 47F of the General Statutes, the North Carolina Planned Community Act, effective January 1, 1999, which includes some townhome associations; and

Whereas, townhome associations and townhome managers are not licensed or regulated either as real estate brokers, agents, or separately as townhome managers and are, therefore, unregulated in their management of townhome common areas or homeowner's deposited assessment funds; and

Whereas, currently, the only remedy for townhome owners is to sue townhome associations or townhome managers for abuses in superior court; and

Whereas, other states, facing reports of abuses by townhome associations or townhome managers have opted for regulation of these entities; Now, therefore,

4 The General Assembly of North Carolina enacts:

5 Section 1. The Legislative Research Commission may study the regulation of  
6 townhome associations and townhome managers and the remedies for abuses by these

1 entities. In conducting this study the Legislative Research Commission should consider  
2 the studies undertaken prior to the enactments of the North Carolina Condominium Act  
3 and the North Carolina Planned Community Act and the procedures developed in other  
4 states for the prevention, regulation, and remedying of abuses by townhome associations  
5 and townhome managers.

6           Section 2. The Legislative Research Commission may report its interim  
7 findings to the 2000 Session of the General Assembly and make a final report, with any  
8 recommended legislation, to the 2001 Session of the General Assembly.

9           Section 3. This act is effective when it becomes law.