

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40517-NOF-52A

Short Title: HOA Organization and Reporting Act.

(Public)

Sponsors: Representative Budd.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO REQUIRE LOT OWNERS' ASSOCIATIONS AND UNIT OWNERS' ASSOCIATIONS TO INCORPORATE OR ORGANIZE AS CORPORATIONS OR LIMITED LIABILITY COMPANIES AND SUBMIT ANNUAL REPORTS TO THE NORTH CAROLINA SECRETARY OF STATE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 47C-1-102 reads as rewritten:

"§ 47C-1-102. **Applicability.**

(a) This Chapter applies to all condominiums created within this State after October 1, 1986. In addition, the following sections apply to all condominiums created in this State on or before October 1, 1986, notwithstanding any conflicting provisions in the articles of ~~incorporation, incorporation~~ or articles of organization, the declaration, or the bylaws and notwithstanding any references in those documents to Chapter 47A of the General Statutes: G.S. 47C-1-105 (Separate Titles and Taxation), 47C-1-106 (Applicability of Local Ordinances, Regulations, and Building Codes), 47C-1-107 (Eminent Domain), 47C-2-103 (Construction and Validity of Declaration and Bylaws), 47C-2-104 (Description of Units), 47C-2-121 (Merger or Consolidation of Condominiums), 47C-3-102(a)(1) through (6) and (11) through (16)(Powers of Unit Owners' Association), 47C-3-103 (Executive board members and officers), 47C-3-107.1 (Procedures for fines and suspension of condominium privileges or services), 47C-3-108 (Meetings), 47C-3-111 (Tort and Contract Liability), 47C-3-112 (Conveyance or Encumbrance of Common Elements), 47C-3-116 (Lien for Assessments), 47C-3-118 (Association Records), 47C-3-121 (American and State flags and political sign displays), and 47C-4-117 (Effect of Violation on Rights of Action; Attorney's Fees). These sections apply only with respect to events and circumstances occurring after October 1, 1986. G.S. 47C-1-103 (Definitions) also applies to all condominiums created in this State on or before October 1, 1986, to the extent necessary in construing any of the sections referenced in this subsection.

... "

SECTION 2. G.S. 47C-2-120 reads as rewritten:

"§ 47C-2-120. **Master associations.**

(a) If the declaration for a condominium provides that any of the powers described in G.S. 47C-3-102 are to be exercised by or may be delegated to a ~~profit or business corporation, nonprofit corporation (or unincorporated association) which corporation, or limited liability company that exercises those or other powers on behalf of one or more condominiums or for the benefit of the unit owners of one or more condominiums, all provisions of this chapter applicable to unit owners' associations apply to any such corporation, (or unincorporated association) corporation or limited liability company,~~ except as modified by this section.



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2 **SECTION 3.** G.S. 47C-3-101 reads as rewritten:

3 "**§ 47C-3-101. Organization of unit owners' association.**

4 A unit owners' association shall be organized no later than the date the first unit in the
5 condominium is conveyed. The membership of the association at all times shall consist
6 exclusively of all the unit owners, or following termination of the condominium, of all persons
7 entitled to distributions of proceeds under G.S. 47C-2-118. The association shall be organized as
8 a ~~profit or business corporation, nonprofit corporation or as an unincorporated nonprofit~~
9 ~~association~~ a limited liability company."

10 **SECTION 4.** Article 3 of Chapter 47C of the General Statutes is amended by adding
11 three new sections to read:

12 "**§ 47C-3-101.1. Annual reporting requirement; nonprofit corporations.**

13 (a) Requirement. – A unit owners' association organized as a nonprofit corporation shall
14 deliver to the Secretary of State for filing annual reports as provided in this section, if the unit
15 owners' association exercises at least one of the following powers:

16 (1) Collects annual assessments from its members.

17 (2) Imposes fines, charges, or other fees in accordance with the powers granted
18 by G.S. 47C-3-102.

19 (3) Enforces architectural guidelines.

20 (b) Form; Required Information. – The Secretary of State shall prescribe for the filing of
21 an annual report in an electronic form and electronic means of filing. The annual report shall set
22 forth all of the following:

23 (1) The name of the nonprofit corporation.

24 (2) The street address, and the mailing address if different from the street address,
25 of the nonprofit corporation's registered office in the State, the county in which
26 the registered office is located, the name of its registered agent at that office,
27 and a statement of any change of the registered office or registered agent.

28 (3) The address of its principal office.

29 (4) The names, titles, business addresses, and email addresses of at least one
30 executive board member or officer.

31 (5) Contact information for any community management agent hired by the unit
32 owners' association. The contact information shall include, at a minimum, the
33 name of the management agent and a phone number, email address, and
34 mailing address at which the management agent can be contacted.

35 (6) An electronic link to the official website of the register of deeds office in
36 which the unit owners' association's covenants and declaration are filed.

37 (d) Currency of Information. – Information in the annual report shall be current as of the
38 date the annual report is executed on behalf of the unit owners' association.

39 (e) Due Date. – The first annual report form for a unit owners' association is due to be
40 delivered to the Secretary of State by April 15 beginning the year following the incorporation or
41 organization of the unit owners' association. Unit owners' associations that are required to submit
42 an annual report under this section shall continue to deliver an annual report by April 15 of each
43 subsequent year until the condominium it serves is terminated as provided by G.S. 47C-2-118.

44 (f) Incomplete Information. – If an annual report does not contain the information
45 required by this section, the Secretary of State shall promptly notify the reporting unit owners'
46 association in writing and return the report to the association for correction. If the report is
47 corrected to contain the information required by this section and submitted to the Secretary of
48 State within 30 days after the effective date of notice, it is deemed to be timely filed.

49 (g) Amendments. – Amendments to any previously filed annual report may be filed with
50 the Secretary of State at any time for the purpose of correcting, updating, or augmenting the
51 information contained in the annual report.

1 (h) Delinquency; Suspension of Certain Powers. – If the Secretary of State does not
2 receive an annual report within 60 days of the date the report is due, the Secretary of State may
3 presume that the annual report is delinquent. The Secretary of State's presumption that a report
4 is delinquent may be rebutted by evidence of delivery presented by the filing unit owners'
5 association. Notwithstanding G.S. 47C-3-102, if a unit owners' association fails to deliver an
6 annual report to the Secretary of State in compliance with this section, and the annual report is
7 presumed delinquent, the following powers granted to the association are suspended until the
8 association corrects the delinquency to the satisfaction of the Secretary of State:

9 (1) Collection of assessments for the common expenses from unit owners.

10 (2) Imposition and collection of any fees or charges as authorized by
11 G.S. 47C-3-102.

12 (i) Notice of Delinquency; Effect of Cure. – If the Secretary of State presumes that an
13 annual report is delinquent as provided by subsection (h) of this section, the Secretary of State
14 shall promptly notify the offending unit owners' association in writing. If the offending unit
15 owners' association completes an annual report containing all the information required by this
16 section and delivers it to the Secretary of State within 30 days after the effective date of the
17 notice, the unit owners' association shall immediately regain any powers suspended under
18 subsection (h) of this section and shall be allowed to collect and impose any assessments, fees,
19 or charges that it was unable to collect or impose during any period of suspension.

20 (j) Filing Fee. – Upon submission of the annual report required by this section, the unit
21 owner's association shall remit to the Secretary of State a fee in the amount provided by
22 G.S. 57D-1-22(a)(28).

23 (k) Authority of Attorney General. – The Attorney General may maintain an action to
24 restrain a unit owner's association from conducting affairs in violation of this section. "

25 **"§ 47C-3-101.2. Annual reporting requirement; business corporations.**

26 (a) Requirement. – A unit owners' association organized as a business corporation shall
27 deliver to the Secretary of State for filing annual reports as required by Chapter 55 of the General
28 Statutes. The additional provisions of this section apply to the filing of annual reports if the unit
29 owners' association exercises at least one of the following powers:

30 (1) Collects annual assessments from its members.

31 (2) Imposes fines, charges, or other fees in accordance with the powers granted
32 by G.S. 47C-3-102.

33 (3) Enforces architectural guidelines.

34 (b) Additional Required Information. – In addition to the information required under
35 G.S. 55-16-22, the annual report shall set forth the following:

36 (1) The names, titles, business addresses, and email addresses of at least one
37 executive board member or officer.

38 (2) Contact information for any community management agent hired by the unit
39 owners' association. The contact information shall include, at a minimum, the
40 name of the management agent and a phone number, email address, and
41 mailing address at which the management agent can be contacted.

42 (3) An electronic link to the official website of the register of deeds office in
43 which the unit owners' association's covenants and declaration are filed.

44 (c) Delinquency; Suspension of Certain Powers. – If the Secretary of State does not
45 receive an annual report within 60 days of the date the report is due, the Secretary of State may
46 presume that the annual report is delinquent. The Secretary of State's presumption that a report
47 is delinquent may be rebutted by evidence of delivery presented by the filing unit owners'
48 association. Notwithstanding G.S. 47C-3-102, if a unit owners' association to which this section
49 applies fails to deliver an annual report to the Secretary of State in compliance with this section,
50 and the annual report is presumed delinquent, the following powers granted to the association are

1 suspended until the association corrects the delinquency to the satisfaction of the Secretary of
2 State:

3 (1) Collection of assessments for the common expenses from unit owners.

4 (2) Imposition and collection of any fees or charges as authorized by
5 G.S. 47C-3-102.

6 (d) Notice of Delinquency; Effect of Cure. – If the Secretary of State presumes that an
7 annual report is delinquent as provided by subsection (c) of this section, the Secretary of State
8 shall promptly notify the offending unit owners' association in writing. If the offending unit
9 owners' association completes an annual report containing all the information required by this
10 section and delivers it to the Secretary of State within 30 days after the effective date of the
11 notice, the unit owners' association shall immediately regain any powers suspended under
12 subsection (c) of this section and shall be allowed to collect and impose any assessments, fees,
13 or charges that it was unable to collect or impose during any period of suspension."

14 (e) Filing Fee. – Upon submission of the annual report required by this section,
15 notwithstanding G.S. 55-1-22, the unit owner's association shall not remit the fee required by
16 G.S. 55-1-22 but shall instead remit to the Secretary of State a fee in the amount provided by
17 G.S. 57D-1-22(a)(28).

18 (f) Authority of Attorney General. – The Attorney General may maintain an action to
19 restrain a unit owner's association from conducting affairs in violation of this section."

20 **"§ 47C-3-101.3. Annual reporting requirement; limited liability companies.**

21 (a) Requirement. – A unit owners' association organized as a limited liability company
22 shall deliver to the Secretary of State for filing annual reports as required by Chapter 57D of the
23 General Statutes. The additional provisions of this section apply to the filing of annual reports if
24 the unit owners' association exercises at least one of the following powers:

25 (1) Collects annual assessments from its members.

26 (2) Imposes fines, charges, or other fees in accordance with the powers granted
27 by G.S. 47C-3-102.

28 (3) Enforces architectural guidelines.

29 (b) Additional Required Information. – In addition to the information required under
30 G.S. 57D-2-24, the annual report shall set forth the following:

31 (1) The names, titles, business addresses, and email addresses of at least one of
32 executive board member or officer.

33 (2) Contact information for any community management agent hired by the unit
34 owners' association. The contact information shall include, at a minimum, the
35 name of the management agent and a phone number, email address, and
36 mailing address at which the management agent can be contacted.

37 (3) An electronic link to the official website of the register of deeds office in
38 which the unit owners' association's covenants and declaration are filed.

39 (c) Delinquency; Suspension of Certain Powers. – If the Secretary of State does not
40 receive an annual report within 60 days of the date the report is due, the Secretary of State may
41 presume that the annual report is delinquent. The Secretary of State's presumption that a report
42 is delinquent may be rebutted by evidence of delivery presented by the filing unit owners'
43 association. Notwithstanding G.S. 47C-3-102, if a unit owners' association to which this section
44 applies fails to deliver an annual report to the Secretary of State in compliance with this section,
45 and the annual report is presumed delinquent, the following powers granted to the association are
46 suspended until the association corrects the delinquency to the satisfaction of the Secretary of
47 State:

48 (1) Collection of assessments for the common expenses from unit owners.

49 (2) Imposition and collection of any fees or charges as authorized by
50 G.S. 47C-3-102.

1 (d) Notice of Delinquency; Effect of Cure. – If the Secretary of State presumes that an
2 annual report is delinquent as provided by subsection (c) of this section, the Secretary of State
3 shall promptly notify the offending unit owners' association in writing. If the offending unit
4 owners' association completes an annual report containing all the information required by this
5 section and delivers it to the Secretary of State within 30 days after the effective date of the
6 notice, the unit owners' association shall immediately regain any powers suspended under
7 subsection (c) of this section and shall be allowed to collect and impose any assessments, fees,
8 or charges that it was unable to collect or impose during any period of suspension.

9 (e) Authority of Attorney General. – The Attorney General may maintain an action to
10 restrain a unit owner's association from conducting affairs in violation of this section."

11 **SECTION 5.** G.S. 47C-3-102 reads as rewritten:

12 **"§ 47C-3-102. Powers of unit owners' association.**

13 (a) Unless the articles of incorporation or articles of organization or the declaration
14 expressly provides to the contrary, the association, even if unincorporated, association may do
15 all of the following:

16 "

17 **SECTION 6.** G.S. 47F-1-102 reads as rewritten:

18 **"§ 47F-1-102. Applicability.**

19 ...

20 (c) Notwithstanding subsection (a) of this section, G.S. 47F-1-104 (Variation),
21 G.S. 47F-2-103 (Construction and validity of declaration and bylaws), G.S. 47F-2-117
22 (Amendment of declaration), G.S. 47F-3-102(1) through (6) and (11) through (17) (Powers of
23 owners' association), G.S. 47F-3-103(f) (Executive board members and officers),
24 G.S. 47F-3-104 (Transfer of special declarant rights), G.S. 47F-3-107(a), (b), and (c) (Upkeep of
25 planned community; responsibility and assessments for damages), G.S. 47F-3-107.1 (Procedures
26 for fines and suspension of planned community privileges or services), G.S. 47F-3-108
27 (Meetings), G.S. 47F-3-115 (Assessments for common expenses), G.S. 47F-3-116 (Lien for
28 sums due the association; enforcement), G.S. 47F-3-118 (Association records), and
29 G.S. 47F-3-121 (American and State flags and political sign displays) apply to all planned
30 communities created in this State before January 1, 1999, unless the articles of ~~incorporation~~
31 incorporation or articles of organization or the declaration expressly provides to the contrary, and
32 G.S. 47F-3-120 (Declaration limits on attorneys' fees) applies to all planned communities created
33 in this State before January 1, 1999. These sections apply only with respect to events and
34 circumstances occurring on or after January 1, 1999, and do not invalidate existing provisions of
35 the declaration, bylaws, or plats and plans of those planned communities. G.S. 47F-1-103
36 (Definitions) also applies to all planned communities created in this State before January 1, 1999,
37 to the extent necessary in construing any of the preceding sections.

38 ... "

39 **SECTION 7.** G.S. 47F-1-104 reads as rewritten:

40 **"§ 47F-1-104. Variation.**

41 (a) Except as specifically provided in specific sections of this Chapter, the provisions of
42 this Chapter may not be varied by the declaration or bylaws. To the extent not inconsistent with
43 the provisions of this Chapter, the declaration, bylaws, and articles of incorporation or articles of
44 organization form the basis for the legal authority for the planned community to act as provided
45 in the declaration, bylaws, and articles of ~~incorporation, incorporation or articles of organization,~~
46 and the declaration, bylaws, and articles of incorporation or articles of organization are
47 enforceable by their terms.

48 ... "

49 **SECTION 8.** G.S. 47F-2-103 reads as rewritten:

50 **"§ 47F-2-103. Construction and validity of declaration and bylaws.**

1 (a) To the extent not inconsistent with the provisions of this Chapter, the declaration,
2 bylaws, and articles of incorporation or articles of organization form the basis for the legal
3 authority for the planned community to act as provided in the declaration, bylaws, and articles of
4 ~~incorporation, incorporation or articles of organization,~~ and the declaration, bylaws, and articles
5 of incorporation or articles of organization are enforceable by their terms. All provisions of the
6 declaration and bylaws are severable.

7"

8 **SECTION 9.** G.S. 47F-3-101 reads as rewritten:

9 **"§ 47F-3-101. Organization of owners' association.**

10 A lot owners' association shall be ~~incorporated~~ organized no later than the date the first lot in
11 the planned community is conveyed. The membership of the association at all times shall consist
12 exclusively of all the lot owners or, following termination of the planned community, of all
13 persons entitled to distributions of proceeds under G.S. 47F-2-118. Every association created
14 after the effective date of this Chapter shall be organized as a ~~nonprofit corporation, business~~
15 corporation, nonprofit corporation, or as a limited liability company."

16 **SECTION 10.** Article 3 of Chapter 47F of the General Statutes is amended by adding
17 three new sections to read:

18 **"§ 47F-3-101.1. Annual reporting requirement; nonprofit corporations.**

19 (a) Requirement. – A lot owners' association organized as a nonprofit corporation shall
20 deliver to the Secretary of State for filing annual reports as provided in this section, if the lot
21 owners' association exercises at least one of the following powers:

22 (1) Collects annual assessments from its members.

23 (2) Imposes fines, charges, or other fees in accordance with the powers granted
24 by G.S. 47F-3-102.

25 (3) Enforces architectural guidelines.

26 (b) Form; Required Information. – The Secretary of State shall prescribe for the filing of
27 an annual report in an electronic form and electronic means of filing. The annual report shall set
28 forth at least all of the following:

29 (1) The name of the nonprofit corporation.

30 (2) The street address, and the mailing address if different from the street address,
31 of the nonprofit corporation's registered office in the State, the county in which
32 the registered office is located, the name of its registered agent at that office,
33 and a statement of any change of the registered office or registered agent.

34 (3) The address of its principal office.

35 (4) The names, titles, business addresses, and email addresses of at least one
36 executive board member or officer.

37 (5) Contact information for any community management agent hired by the lot
38 owners' association. The contact information shall include, at a minimum, the
39 name of the management agent and a phone number, email address, and
40 mailing address at which the management agent can be contacted.

41 (6) An electronic link to the official website of the register of deeds office in
42 which the lot owners' association's covenants and declaration is filed.

43 (d) Currency of Information. – Information in the annual report shall be current as of the
44 date the annual report is executed on behalf of the lot owners' association.

45 (e) Due Date. – The first annual report form for a lot owners' association is due to be
46 delivered to the Secretary of State by April 15 beginning the year following the incorporation or
47 organization of the lot owners' association. Lot owners' associations that are required to submit
48 an annual report under this section shall continue to deliver an annual report by April 15 of each
49 subsequent year until the planned community it serves is terminated as provided by
50 G.S. 47F-2-118.

1 (f) Incomplete Information. – If an annual report does not contain the information
2 required by this section, the Secretary of State shall promptly notify the reporting lot owners'
3 association in writing and return the report to the association for correction. If the report is
4 corrected to contain the information required by this section and submitted to the Secretary of
5 State within 30 days after the effective date of notice, it is deemed to be timely filed.

6 (g) Amendments. – Amendments to any previously filed annual report may be filed with
7 the Secretary of State at any time for the purpose of correcting, updating, or augmenting the
8 information contained in the annual report.

9 (h) Delinquency; Suspension of Certain Powers. – If the Secretary of State does not
10 receive an annual report within 60 days of the date the report is due, the Secretary of State may
11 presume that the annual report is delinquent. The Secretary of State's presumption that a report
12 is delinquent may be rebutted by evidence of delivery presented by the filing lot owners'
13 association. Notwithstanding G.S. 47F-3-102, if a lot owners' association fails to deliver an
14 annual report to the Secretary of State in compliance with this section, and the annual report is
15 presumed delinquent, the following powers granted to the association are suspended until the
16 association corrects the delinquency to the satisfaction of the Secretary of State:

17 (1) Collection of assessments for the common expenses from unit owners.

18 (2) Imposition and collection of any fees or charges as authorized by
19 G.S. 47F-3-102.

20 (i) Notice of Delinquency; Effect of Cure. – If the Secretary of State presumes that an
21 annual report is delinquent as provided by subsection (h) of this section, the Secretary of State
22 shall promptly notify the offending lot owners' association in writing. If the offending lot owners'
23 association completes an annual report containing all the information required by this section and
24 delivers it to the Secretary of State within 30 days after the effective date of the notice, the lot
25 owners' association shall immediately regain any powers suspended under subsection (h) of this
26 section and shall be allowed to collect and impose any assessments, fees, or charges that it was
27 unable to collect or impose during any period of suspension.

28 (j) Filing Fee. – Upon submission of the annual report required by this section, the lot
29 owner's association shall remit to the Secretary of State a fee in the amount provided by
30 G.S. 57D-1-22(a)(28).

31 (k) Authority of Attorney General. – The Attorney General may maintain an action to
32 restrain a lot owner's association from conducting affairs in violation of this section."

33 **"§ 47F-3-101.2. Annual reporting requirement; business corporations.**

34 (a) Requirement. – A lot owners' association organized as a business corporation shall
35 deliver to the Secretary of State for filing annual reports as required by Chapter 55 of the General
36 Statutes. The additional provisions of this section apply to the filing of annual reports if the lot
37 owners' association exercises at least one of the following powers:

38 (1) Collects annual assessments from its members.

39 (2) Imposes fines, charges, or other fees in accordance with the powers granted
40 by G.S. 47F-3-102.

41 (3) Enforces architectural guidelines.

42 (b) Additional Required Information. – In addition to the information required under
43 G.S. 55-16-22, the annual report shall set forth the following:

44 (1) The names, titles, business addresses, and email addresses of at least one of
45 executive board member or officer.

46 (2) Contact information for any community management agent hired by the lot
47 owners' association. The contact information shall include, at a minimum, the
48 name of the management agent and a phone number, email address, and
49 mailing address at which the management agent can be contacted.

50 (3) An electronic link to the official website of the register of deeds office in
51 which the lot owners' association's covenants and declaration are filed.

1 (c) Delinquency; Suspension of Certain Powers. – If the Secretary of State does not
2 receive an annual report within 60 days of the date the report is due, the Secretary of State may
3 presume that the annual report is delinquent. The Secretary of State's presumption that a report
4 is delinquent may be rebutted by evidence of delivery presented by the filing lot owners'
5 association. Notwithstanding G.S. 47F-3-102, if a lot owners' association fails to deliver an
6 annual report to the Secretary of State in compliance with this section, and the annual report is
7 presumed delinquent, the following powers granted to the association are suspended until the
8 association corrects the delinquency to the satisfaction of the Secretary of State:

9 (1) Collection of assessments for the common expenses from lot owners.

10 (2) Imposition and collection of any fees or charges as authorized by
11 G.S. 47F-3-102.

12 (d) Notice of Delinquency; Effect of Cure. – If the Secretary of State presumes that an
13 annual report is delinquent as provided by subsection (c) of this section, the Secretary of State
14 shall promptly notify the offending lot owners' association in writing. If the offending lot owners'
15 association completes an annual report containing all the information required by this section and
16 delivers it to the Secretary of State within 30 days after the effective date of the notice, the lot
17 owners' association shall immediately regain any powers suspended under subsection (c) of this
18 section and shall be allowed to collect and impose any assessments, fees, or charges that it was
19 unable to collect or impose during any period of suspension."

20 (e) Filing Fee. – Upon submission of the annual report required by this section,
21 notwithstanding G.S. 55-1-22, the lot owner's association shall not remit the fee required by
22 G.S. 55-1-22 but shall instead remit to the Secretary of State a fee in the amount provided by
23 G.S. 57D-1-22(a)(28).

24 (f) Authority of Attorney General. – The Attorney General may maintain an action to
25 restrain a lot owner's association from conducting affairs in violation of this section."

26 **"§ 47F-3-101.3. Annual reporting requirement; limited liability companies.**

27 (a) Requirement. – A lot owners' association organized as a limited liability company
28 shall deliver to the Secretary of State for filing annual reports as required by Chapter 57D of the
29 General Statutes. The additional provisions of this section apply to the filing of annual reports if
30 the lot owners' association exercises at least one of the following powers:

31 (1) Collects annual assessments from its members.

32 (2) Imposes fines, charges, or other fees in accordance with the powers granted
33 by G.S. 47F-3-102.

34 (3) Enforces architectural guidelines.

35 (b) Additional Required Information. – In addition to the information required under
36 G.S. 57D-2-24, the annual report shall set forth the following:

37 (1) The names, titles, business addresses, and email addresses of at least one
38 executive board member or officer.

39 (2) Contact information for any community management agent hired by the lot
40 owners' association. The contact information shall include, at a minimum, the
41 name of the management agent and a phone number, email address, and
42 mailing address at which the management agent can be contacted.

43 (3) An electronic link to the official website of the register of deeds office in
44 which the lot owners' association's covenants and declaration are filed.

45 (c) Delinquency; Suspension of Certain Powers. – If the Secretary of State does not
46 receive an annual report within 60 days of the date the report is due, the Secretary of State may
47 presume that the annual report is delinquent. The Secretary of State's presumption that a report
48 is delinquent may be rebutted by evidence of delivery presented by the filing lot owners'
49 association. Notwithstanding G.S. 47F-3-102, if a lot owners' association fails to deliver an
50 annual report to the Secretary of State in compliance with this section, and the annual report is

1 presumed delinquent, the following powers granted to the association are suspended until the
2 association corrects the delinquency to the satisfaction of the Secretary of State:

3 (1) Collection of assessments for the common expenses from lot owners.

4 (2) Imposition and collection of any fees or charges as authorized by
5 G.S. 47F-3-102.

6 (d) Notice of Delinquency; Effect of Cure. – If the Secretary of State presumes that an
7 annual report is delinquent as provided by subsection (c) of this section, the Secretary of State
8 shall promptly notify the offending lot owners' association in writing. If the offending lot owners'
9 association completes an annual report containing all the information required by this section and
10 delivers it to the Secretary of State within 30 days after the effective date of the notice, the lot
11 owners' association shall immediately regain any powers suspended under subsection (c) of this
12 section and shall be allowed to collect and impose any assessments, fees, or charges that it was
13 unable to collect or impose during any period of suspension.

14 (e) Authority of Attorney General. – The Attorney General may maintain an action to
15 restrain a lot owner's association from conducting affairs in violation of this section."

16 **SECTION 11.** G.S. 47F-3-102 reads as rewritten:

17 "**§ 47F-3-102. Powers of owners' association.**

18 Unless the articles of ~~incorporation~~ incorporation or articles of organization or the declaration
19 expressly provides to the contrary, the association may do all of the following:

20"

21 **SECTION 12.** G.S. 47F-3-120 reads as rewritten:

22 "**§ 47F-3-120. Declaration limits on attorneys' fees.**

23 Except as provided in G.S. 47F-3-116, in an action to enforce provisions of the articles of
24 ~~incorporation,~~ incorporation or articles of organization, the declaration, bylaws, or duly adopted
25 rules or regulations, the court may award reasonable attorneys' fees to the prevailing party if
26 recovery of attorneys' fees is allowed in the declaration."

27 **SECTION 13.** This act becomes effective October 1, 2026 and applies to annual
28 reports due beginning in 2027.