

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025**

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HOUSE BILL 993

Short Title: HOA Organization and Reporting Act. (Public)

Sponsors: Representatives Budd, Iler, and Liu (Primary Sponsors).

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

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

April 14, 2025

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



1 to unit owners' associations apply to any such ~~corporation, (or unincorporated association)~~
2 corporation or limited liability company, except as modified by this section.

3"

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

5 **"§ 47C-3-101. Organization of unit owners' association.**

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

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

14 **"§ 47C-3-101.1. Annual reporting requirement; nonprofit corporations.**

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

18 (1) Collects annual assessments from its members.

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

21 (3) Enforces architectural guidelines.

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

25 (1) The name of the nonprofit corporation.

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

30 (3) The address of its principal office.

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

33 (5) 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 (6) 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 (d) Currency of Information. – Information in the annual report shall be current as of the
40 date the annual report is executed on behalf of the unit owners' association.

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

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

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

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

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

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

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

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

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

28 **"§ 47C-3-101.2. Annual reporting requirement; business corporations.**

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

33 (1) Collects annual assessments from its members.

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

36 (3) Enforces architectural guidelines.

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

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

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

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

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

1 applies fails to deliver an annual report to the Secretary of State in compliance with this section,
2 and the annual report is presumed delinquent, the following powers granted to the association are
3 suspended until the association corrects the delinquency to the satisfaction of the Secretary of
4 State:

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

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

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

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

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

22 **"§ 47C-3-101.3. Annual reporting requirement; limited liability companies.**

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

27 (1) Collects annual assessments from its members.

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

30 (3) Enforces architectural guidelines.

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

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

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

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

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

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

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

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

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

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

14 "**§ 47C-3-102. Powers of unit owners' association.**

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

18 "

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

20 "**§ 47F-1-102. Applicability.**

21 ...

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

40 "

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

42 "**§ 47F-1-104. Variation.**

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

50 "

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

1 **"§ 47F-2-103. Construction and validity of declaration and bylaws.**

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

8 ... "

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

10 **"§ 47F-3-101. Organization of owners' association.**

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

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

19 **"§ 47F-3-101.1. Annual reporting requirement; nonprofit corporations.**

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

23 (1) Collects annual assessments from its members.

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

26 (3) Enforces architectural guidelines.

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

30 (1) The name of the nonprofit corporation.

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

35 (3) The address of its principal office.

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

38 (5) Contact information for any community management agent hired by the lot
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 (6) An electronic link to the official website of the register of deeds office in
43 which the lot owners' association's covenants and declaration is filed.

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

46 (e) Due Date. – The first annual report form for a lot owners' association is due to be
47 delivered to the Secretary of State by April 15 beginning the year following the incorporation or
48 organization of the lot owners' association. Lot owners' associations that are required to submit
49 an annual report under this section shall continue to deliver an annual report by April 15 of each
50 subsequent year until the planned community it serves is terminated as provided by
51 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.