

THE RIGHTS OF THE COBBLESTONE CONDOMINIUM POA, INC. AND THE RIGHTS OF THE OWNERS OR, "WHO IS RESPONSIBLE FOR WHAT?"

(Updated March 1, 2018; May 9, 2018; April 6, 2020; November 24, 2020, January 5, 2021, December 21, 2021; February 28, 2023; April 12, 2024; July 8, 2024)

This paper is to help clarify the above so that the POA and the seventy-six individual owners of condominiums can work together in harmony to the betterment of the Cobblestone community. The following is based upon the Bylaws of the Cobblestone Condominium POA, Inc., North Carolina state laws, standard practices in POA and HOA associations and insurance industry standards.

"PARTY WALLS" AND INTERIOR UNDERSTANDINGS

According to the Bylaws (Part II, Article IV, Section 1), the walls between units are considered "party walls" [NC G.S. 47C-2-102(1)]. Section 2 tells us that the floor underneath the party wall and the ceiling above the party wall are common elements belonging to the association. However, this does not include the balance of the floor or the balance of the ceiling in the unit as they are considered part of the unit and are not common elements.

Section 3 further states that any wiring, duct work, conduit, chimney flue or any other fixture (including pipes for plumbing) that are for a particular unit is a limited common element for the exclusive use of that particular unit. This means the items inside these walls belong to the owner as they are exclusive for the owner's use. Common items serving both units are common elements.

As this relates to plumbing problems, the association is responsible for the service of pipes from the water meter to the shut-off valve located in the laundry room. The pipes for the lower and upper units go under the concrete slab of the floor units in all buildings. The shut-off valves are in the laundry rooms of each unit. Therefore, if the leak is under the floor in the laundry room before the shut-off valve, the association is responsible for repairs for any portion of the slab that must be opened inside the floor unit and the repair of the floor. All other plumbing is considered part of the unit and belonging to the owner. If the leak is in the pipe in the wall before the valve in the laundry room, and the wall must be opened to facilitate that repair, the POA historically repairs the wall.

Water leaks from aging pipes is a common occurrence in any complex like ours. If you encounter water leaks in your unit or water coming through your ceiling/wall from an upstairs unit, here's what you can do. Remember, the POA only covers water leaks from the water meter to the shut-off valve in your unit. This valve is located on a wall in your laundry room. It will shut off all the water to the unit. We recommend turning off your water heater at the circuit breaker at the same time until repairs are made.

WATER LEAK IN YOUR UNIT

If you have a water leak in your unit (kitchen sink, bathroom faucet, shower faucet, ice maker connection in the wall, toilet, washing machine supply lines or hoses), there is usually a supply line valve to all of those listed very nearby. Simply turn the supply valve to the right until it won't go any further and that should stop the flow of water. If the valve will not turn to close, you will need to turn off the water to your unit at the main valve in the laundry room. We suggest you (the owner) call the plumber of your choice to get the repairs done. The plumber should turn the water back on.

WATER IS LEAKING IN YOUR CEILING OR WALL FROM THE UNIT ABOVE YOU

If this happens, the first step is to go to the unit upstairs and advise them that water is coming into your unit (ceiling/wall). Ask them to shut off the valve in the laundry room to stop the flow of water until it can be repaired. The most common problems are a bad wax ring toilet gasket, a break in a supply line to a toilet tank, sink or tub/shower between the two floors, or the supply lines to the washing machine upstairs. If they refuse to shut off the valve or no one is home, call the CFPUA emergency line at 910-332-6565 and request they shut off the water to the unit above you. Once this is done, follow the steps noted below.

RECOMMENDED PROCESS FOR DEALING WITH LEAK ISSUES

1. The owner of the affected unit needs to contact the owner of the suspected unit causing the problem and advise them of the problem, stating where the water is coming through the ceiling and/or down the wall.
2. The owner of the suspected unit causing the problem will shut off the water of any plumbing supply lines (toilet and/or sink; the shutoff valves for the tub/shower combinations are shut off at the main shutoff valve) in the room above the water damage in the first-floor unit to check and see if that stops the water flow. If so, those valves should not be turned back on until a plumber has made the repairs.
3. The owner of the suspected unit shall call Cape Fear Public Utility Authority (CFPUA) at 910-332-6565 and have them come to verify that any leak has stopped. If the meter continues to run, they will help you try to isolate the leaks in your home. If water is still leaking (the meter continues to run), CFPUA may turn off your water until a plumber comes out to complete the repairs at which time the plumber will turn the water back on. NOTE: If the leak is found to be between the meter and the unit, notify the POA and they will have their plumber come out and make the repair. (See below)
4. The owners of both units should notify their respective insurance companies to address the problem. The offending unit's insurance company is usually required to pay for the repairs but the damaged owner's insurance policy will protect the first-floor unit by making certain the offending unit completes satisfactory repairs. This allows both owners to allow their respective insurance policies to work through any and all legal issues that may arise, thus removing a lot of unnecessary stress.

It is important to note that the owner of the unit above is responsible per the bylaws of the POA to pay for the repairs to the lower unit. This is not an option! And, the owner of the lower unit has the right to choose his/her preferred repairperson to address any/all necessary repairs. If a complaint is received from an owner regarding a plumbing problem from another unit affecting the complaining owner's unit, and the complaint is determined to be unfounded (there is not existing problem), the owner making the complaint will pay the cost of the plumber's inspection. We strongly suggest Therefore, we strongly recommend all owners carry a comprehensive condo owner policy on their unit. The association only carries the required Master Insurance Policy, which does not include these interior issues.

Please note, however, even units on the first floor can suffer damage from their next-door neighbor with a plumbing problem, not just upstairs so, again, all owners need to have a condo insurance policy.

WATER IS BUBBLING UP FROM THE GROUND BETWEEN THE METER AND THE BUILDING

This is a leak in the line from the meter to the exterior wall. It is a simple repair, but we need your help to let us know if you see this in front of your unit. If you do, please send an email message to cobblestonecondohoa@yahoo.com and let them know so they can send a plumber to repair it. If it's on a weekend, let one of the POA Board members know.

If this goes unnoticed, you may get a large water/sewer bill. If you do and this is the problem, Cobblestone Condominium POA can give you a copy of the invoice for the repair and you can take it and your water bill into CFPUA and they will reduce your bill accordingly.

As it relates to sewer issues, sewer clogs are the responsibility of the owner and not the association with the following exception: If the clog is due to a break in the line, usually as it leaves the building and goes toward the main sewer line, or the sewer line has been compromised by vegetation invading the line, the cost of repairs has been historically the responsibility of the association as this is part of the common elements as multiple units converge into one drain segment. However, there is an exception in that, if the clog is determined to be caused by hair, tampons or any other feminine hygiene products, flushable wipes, toys, grease or any other item(s) that should never be placed in the drain, the cost of removing the clog and/or any subsequent repair(s) will be charged to the owner(s) involved.

As per Section 5, each wall built as part of the original construction of a unit and placed on the dividing line between the units shall constitute a "party wall" and, to the extent not inconsistent with the provisions of this Article, the general rules of the law regarding "party wall" and liability for property damage due to negligence or will acts of omission shall apply. This also means that the owners are responsible for the actions of their tenants and subject to paying for any damages tenants may have made to a "party wall," including compromising the integrity of the wall.

Per North Carolina G.S. 47C-2-102(3), all spaces, interior partitions, and other fixtures and improvements within the boundaries of a unit are a part of the unit and therefore the responsibility of the owner. This includes all fixed items in the unit such as cabinets, counters, air handlers, all interior doors, trim, flooring, ceiling fixtures, vent fans, patio doors, the glass and frame inserts of all windows and any improvements done within the unit.

As it relates to dryer vents, the vent is the responsibility of the association when repairs to the vent are necessary, but the cleaning of the vent and the hose to the dryer are the responsibility of the owner. If a fire results from lack of cleaning of the dryer vent and hose, the owner of the unit will be deemed responsible.

Regarding the units with fireplaces and chimney flues, the owners are responsible for the maintenance and cleaning of the fireplace and chimney which, if used, should be checked and cleaned annually. If a fire results from lack of cleaning of the interior of the chimney, the owners of the units with chimneys will be deemed responsible for damages.

It is the responsibility of each owner to carry insurance – an HO6 Condominium policy - on their own unit including, but not limited to liability, fire, plumbing, water damage, interior walls and ceilings, contents, etc. The POA does not carry insurance on individual units. It is highly recommended that owners require tenants to have their own renter's insurance which should contain liability (a recommended minimum of \$300,000) and contents coverage.

WHAT ITEMS ATTACHED TO THE BUILDINGS ARE THE RESPONSIBILITY OF THE POA?

According to NC G.S. 47C-2-102(4), any doorsteps, decks, porches, balconies, patios, and all exterior doors and exterior window trim (the glass inserts and their attached interior trim belongs to the owner), or other fixtures designed to serve a single unit but located outside the unit's boundaries are limited common elements allocated exclusively to that unit. (1985 [Reg. Sess., 1986], c. 877, s. 1.) In our case, this means

the Cobblestone POA has historically agreed to take care of the items listed above, with the following exception:

- 1) The POA will repair all damaged boards related to the patio frame of each unit but the repair and/or replacement of the screen and the furring strips to hold the screen in place are the responsibility of the owner, as the POA cannot be responsible for tears and holes in the screens.
- 2) Since the new siding was installed, all insert windows screens were removed so all exterior window trim could be sealed to eliminate future water penetration leading to rot around the window frames. This means that owners are responsible to provide their own windows screens. Owners can install new window inserts that include the screens or they can install adjustable screens.
- 3) Any unit seeking to enclose their patio, must seek permission from the POA Board before proceeding and, from the moment the patio is enclosed, the POA is no longer responsible for any repairs or maintenance (interior or exterior), which costs will fall upon the owner (NOTE: Siding will be supplied to cover the exterior of the enclosed patio to match the complex, but the cost of the siding and the installation will be at the owner's expense).
- 4) The patio door, and its accompanying sliding screen door, is not considered an exterior door as the patio is considered as an extension of the unit, making the patio door and its accompanying sliding screen door an interior door and belonging to the owner. Therefore, all repairs and/or replacement of the patio doors and accompanying screens are the responsibility of the owner.
- 5) The main entrance door to each unit belongs to the owner and may be replaced by the owner at will. However, because the POA requires that all exterior doors be uniform, the new door must match the existing door as close as possible. In addition, the new door must be painted to match

the color of the doors of the complex. Cobblestone Condominium POA will supply the paint for the new door but the owner will be responsible to provide the labor necessary to paint the door.”

NOTE TO OWNERS: It is highly recommended that owners make certain windows are not painted shut as it can create a liability issue if they are and it hinders the safe exit from the unit in the case of an emergency, e.g., fire, CO2, etc. Any exterior trim sealing done by the POA will not affect the opening/closing of the windows.

Under Part II, Article V, Section 1, the POA shall provide exterior maintenance for all units, subject to assessment hereunder, including the performance of the following as needed: siding repair, paint, replace and care of roofs, exterior building services, trees, shrubs, walks, and other exterior improvements. Such exterior maintenance shall not include window insert, glass surfaces of windows and the attached window interior trim of windows serving individual units. However, Section 2 states that, in the event that there is a need for maintenance, repair or replacement caused by the willful or negligent act of an owner, his/her family, guests, invitees or tenants, the cost of maintenance, repair or replacement will be billed to the owner of the unit involved.

The POA Board had provided an option for owners with Cobblestone to share in the replacement of windows from 2016 through 2019. However, this agreement was rescinded by the owner members of the POA meeting at the Annual Meeting of December 11, 2019, and is no longer available since the installation of new siding includes sealing the exterior trim of every window. Owners are responsible to arrange for their own replacement window inserts with a company of their choosing. Since all windows

must appear to be uniform in exterior appearance, they may not have grill/grid patterns in the window glass. Based on the condition of the window inserts, the POA reserves the right to require owners to replace window inserts at the owner's expense.

In recent inspections related to the sale of units, the inspections may comment on the settling of the insulation in the ceiling of the upstairs units. The installation was installed according to code in 1989 and is expected to settle over the course of time. If the seller or the purchaser of the unit seeks to install additional insulation, the expense shall be borne by the seller and/or the purchaser. The POA is not required by law to upgrade the insulation as it met its due diligence at the time of construction and is therefore exempt from bringing the depth of the settled insulation to any new level, including any changes in code post-construction.

In recent inspections related to the sale of units, a number of the exterior cut-off electrical boxes for the outside HVAC systems have aged and need replaced. Since these electrical cut-off boxes are part of the HVAC system limited to that particular unit, the repair or replacement of said cut-off box is the responsibility of the owner of the unit as it is a limited common element belonging exclusively to that particular unit.

MAILBOX KEY INFORMATION

Cobblestone Condominium POA, Inc. has nothing to do with mailbox keys. These keys belong to the respective owners and are the sole responsibility of the owners. To remove and replace a lock, it is recommended the owner secure the services of a locksmith or they may call the Myrtle Grove Post Office and try to coordinate the arrival of the carrier to the complex so the owner can gain access to remove the lock from the back side (carrier side) of the box and replace the lockset with his/her own purchased from a hardware or building supply store.

OTHER OWNER RIGHTS

Under NC G.S. 47C-2-111(1) and (2), subject to the provisions of the declaration and other provisions of law, a unit owner: (1) May make any improvements or alterations to his unit that do not impair the structural integrity, or mechanical systems or lessen the support of any portion of the condominium; e.g. load-bearing walls and (2) May not change the appearance of the common elements or the exterior appearance of a unit or any other portion of the condominium without

permission of the association. This addresses the right previously mentioned as to closing in the patio of an owner's unit.

OTHER DOCUMENTS RELATED TO OWNERS AND THE POA AND THE CARE OF THE BUILDINGS AND COMPLEX

Other documents related to the care of the buildings and the complex are, and available upon request (though provided to all new owners):

- Cobblestone Condominium POA, Inc. Guidelines for Personal Landscaping
- Cobblestone Condominium POA, Inc. Guidelines for the Care of and Attaching Things to Vinyl Siding
- Expectations of the POA Board and Owners.

- Rules and Regulations.

OTHER ITEMS PROVIDED AS PART OF THE MONTHLY POA FEES

The following are items that are provide by the POA through the monthly fees collected from the owners of each unit. These items are, but not limited to:

- Master Insurance Policy;
- Wind and Hail Insurance;
- Wind Buy Back Insurance (covers what Wind and hail does not);
- Directors and Officers Liability Insurance;
- Landscaping services;
- Extermination and Termite Treatments (monthly);
- Pool supplies and labor;
- Electric (complex lighting);
- General exterior maintenance (gutter cleaning, power washing, siding repairs, etc.);
- Parking lot sweeping and repairs;
- Trash services;
- Telephone service (pool);
- Water/Sewer (for the complex only);
- Window exterior trim repairs (NOTE: All exterior window trim was replaced as and sealed as part of the installation of the new siding in 2020);
- Tree trimming (including hurricane “proofing”);
- Loan service (SBA Disaster Loan);
- Reserves (larger exterior projects, e.g. roofing, paving, building);
- Legal fees;
- Management services;
- Administrative expenses;
- Accounting fees.