<u>Condominium Owners Associations – Frequently Asked Questions</u>

<u>Condominium Owners Associations – Generally</u>

What is a Condominium Owners Association?

A condominium owners association, or COA, is an administrative entity created by the developer with the condominium unit owners as its members. It is like a minigovernment that looks over the condominium neighborhood.

What does a Condominium Owners Association do?

The COA maintains the common areas and common elements of the condominium neighborhood. It also creates a budget and assesses monthly dues to pay for the maintenance. Enforcement of the architectural requirements and other rules is also performed by the COA.

What are the benefits of a Condominium Owners Association?

The COA is integral to the successful operation of a condominium project because it technically owns the common elements. The COA holds unit owners to a high standard and makes sure the condominium neighborhood is well looked after. This makes the area a desirable place to live while maintaining or improving your unit's value.

What is a Unit?

A Unit is a cube of space which is defined in the Declaration but is generally defined as the living space bordered by the interior of the tallest ceiling, the floor of the lowest level and the interior of the exterior walls. Any and all windows and doors along with electrical, plumbing, HVAC or other services that exclusively serve the unit are also part of that unit. This is the space that is owned by the unit owner and must be insured by the unit owner.

What is a Common Element?

Everything else within the condominium that is not part of a unit is common element. Common elements are owned by the COA and can be broken down into two categories – limited common elements and general common elements. Limited common elements are usually driveways, porches, patios and decks and are for the exclusive use of the owner of the unit to which those common elements are attached. These limited common elements are specifically described in the Declaration and Plat. All common elements that are not limited are general common elements.

What happens if I report a unit owner who may be breaking a rule?

The COA will address any reported issue with the unit owner allegedly breaking the rule. The names of those who complain are never provided to the offending unit owner so as to keep harmony in the condominium neighborhood.

Who controls the Condominium Owners Association?

The developer, or in the case of Bielinski condominium neighborhoods, Bielinski initially controls and appoints the Board of the COA. The Board, consisting of 3 persons, directs the activities of the COA within the confines of the recorded Declaration and the COA Bylaws.

When does control of the Condominium Owners Association pass on to the unit owners?

The developer appoints the entire Board until 25% of all of the units within the condominium neighborhood have been sold to third parties at which time 1 of the 3 Board members is elected from the unit owners. Once 75% of all units within the condominium neighborhood are sold, Bielinski turns over the last 2 Board member positions and the unit owners elect the entire Board.

<u>Condominium Owners Association Budgets and Financials</u> What is a Management Fee?

All Bielinski COAs that are still under developer control employ Bielinski Management to provide management services to the COA. The management services are provided for a fee that is shown on the budget for the COA.

What services are included in the Management Fee?

The management services included in the fee are bid and budget creation, accounting and collection functions, contractor relations, preliminary architectural request review and annual meeting preparations.

How does the bidding process work for contracted maintenance services?

The COA usually seeks out three (3) bids for its maintenance services each year. Many times the COA will only receive one or two bids back. When multiple bids are received by the COA, the COA will typically employ the services of the lowest bidding contractor unless there are other known performance related issues with that particular contractor.

What is Developer Deficit Funding?

The developer of your condominium neighborhood does not pay monthly dues for units it owns while it is in control of the COA Board. During that time of developer control, the developer makes sure that the COA does not run a deficit, so it contributes funds to the COA so the COA can pay its bills. The amount of developer deficit funding for any calendar year is a liability of the COA, but then such liability amount is cleared from the books as of January 1.

What is a reserve account?

The COA has established a reserve account for the COA to be used for future necessary repairs. A portion of the monthly dues paid by unit owners for units conveyed by the Developer is set aside into this account.

Architectural Control

What are the architectural requirements for the condominium neighborhood?

Every condominium has different architectural requirements that are outlined in the Declaration.

Do I need to get approval for any improvement I wish to make?

If you want to make any improvements or installations to the common elements surrounding the unit or change the appearance of the exterior of your unit in any way, the unit owner needs to submit an architectural request to the COA for review and approval.

How do I obtain architectural approval for an improvement I wish to make?

The COA will need to see drawings of any improvement along with a survey showing the location of the improvement and a complete description of proposed colors and materials. You can submit the request online at www.bielinski.com/Architectural-Request.aspx or on your COA's website. Once submitted, the COA reviews the request to see if it is in compliance with the Declaration for the condominium neighborhood and if it will fit in with the rest of the neighborhood. Owners are reminded that because the common elements are owned by the COA, the COA does not permit changes to the common elements which may be detrimental to the COA as a whole.

How long will the approval process take?

The COA can usually provide a response to the request within two weeks of submission although it can take longer depending upon the complexity of the request or availability of the Board to review.

<u>Condominium Owners Association Maintenance Responsibility</u> What maintenance does the COA perform?

The COA maintains common elements within the condominium neighborhood. These common element maintenance items could include private roads, driveways, siding, roofing, signs, sometimes lights, lawn care and landscaping, snow removal on private roads, driveways and sidewalks, and stormwater ponds.

What maintenance does the COA not perform?

The COA does not perform nor pay for any maintenance on any unit within the condominium neighborhood.

Who maintains the roads in the neighborhood?

The roads within the condominium neighborhood are typically private roads and are maintained by the COA. There are instances in which there are roads that have

been dedicated to the municipality and such roads would then be maintained by the municipality.

Who maintains the yard lampposts near a unit?

If there is a lamppost near your unit, the COA is responsible for the maintenance and upkeep of the lamppost to ensure that it is fully operational.

Who maintains the mailboxes?

The COA is responsible for maintaining and repairing any mailbox and mailbox post.

Note: The questions and answers provided here are a general guide for unit owners in a Bielinski created COA. If there are any conflicts between these questions/answers and the Declaration for a specific neighborhood, such Declaration will control and be binding.