

Why Managed Communities (HOAs) Work

1. Look and Appearance

- Managed Communities contain attractive features such as large open green spaces, private streets, and appealing lot layouts.
- Managed Communities contain homes with a cohesive look and appearance, complementary color schemes and are better maintained than many non-managed communities.

2. Homeowners Desire Them

- Managed Communities are more desired by home buyers because they know that they will have fewer issues with surrounding homeowners. They appreciate the guidelines that exist and are enforced, keeping their neighborhood an aesthetically pleasing place to come home to.
- The common amenities contained within Managed Communities attract homebuyers who prefer to walk to them instead of driving to public parks and facilities.
- The common amenities promote good neighbors and build friendship more easily than at public parks and facilities.

3. Legal Support

- The recorded CC&R's and Bylaws, in accordance with the Washington state statutes, provide the basis by which the Managed Communities Associations are to be run.
- Managed Communities are required to have a Maintenance Plan and Reserve Study in place for common amenities owned by the Association. They are required to have a Reserve Fund with annual assessments as needed to insure that funding for repairs and improvements, when required, will be available.
- Managed Communities have the ability to obtain loans to handle expenses that the Reserve Fund are insufficient to handle without the necessity of a large special assessment to the owners that could prove to be an economic burden or one that they will not be able to pay.

- Managed Communities have collection resources from the owners to help insure that all owners are paying the assessments necessary to pay the association's expenses.
- Managed Community Associations are perpetual and cannot be dissolved while the Association owns property.
- Managed Community Associations are the preferred owner of common area property instead of having an equal ownership by individual property owners. The Association's governing documents allow for the maintenance and collection of assessment for that maintenance on the property owned, and they have the legal support to do so. Equal shares ownership of common area property does not have that benefit, or if it does have some language addressing it, can be more burdensome to try to enforce.

4. Lesser Burden to Local Government

- Owners within Managed Communities are more inclined to first call their Association to help with neighbor issues instead of contacting police, code enforcement or animal control.
- The detention facilities within Managed Communities less the burden of community Public Works divisions for water management.
- The services provided for privately owned amenities within Managed Communities are performed by private sector vendors thereby promoting jobs and economic growth for the community.

5. Property Values Maintained

- Properties within Managed Communities usually retain their property values over other neighborhoods that are non-managed.
- The higher property values within Managed Communities provide additional property tax assessment revenue for local governments.

6. Administrative Ease

- Community Association Management Companies assist the Managed Communities by providing the expertise and knowledge that Association volunteer board members may not have.
- Owners within a Managed Community are more likely to volunteer their time and efforts when a Community Association Management Company has been hired by the Association, because the time commitments become minimal, they are saved from handling uncomfortable situations directly with their neighbors, and they don't have to feel burdened with making sure repairs and maintenance are handled.
- Managed Communities hire Community Association Management Companies to create the Association budgets, assessments, billing, expense payment, coordinate income tax return preparation, order insurance, oversee the maintenance and repair of common areas, handle compliance violations, answer member questions, order Reserve Studies, communicate with members, help to

ensure Association is compliant with city, county, state and federal regulations, handle requests for property modifications by individual owners and facilitate all Association board meeting notices, agendas, and meeting minutes.

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