



The Purpose of Community Associations

Some residents think homeowners and condominium associations (generally called community associations) exist just to tell them what to do—or not do. Actually, the association is more like a housing management or service-delivery organization that provides three types of services to all residents---owners and renters alike

- Community services—these can include securing trash collection, publishing newsletters, orienting new owners, holding community-wide information meetings, and scheduling recreational and social functions.
- Governance services—these can include ensuring that residents are complying with the association’s governing documents, that the association is adhering to local, state, and federal statutes (like fair housing laws), enforcing community rules and policies, administering design review policies, and recruiting new volunteer leaders.
- Business services—these can include operating the common property efficiently, bidding maintenance work competitively, investing reserve funds wisely, developing long-range plans, and equitably and efficiently collecting assessments.

Providing these services requires good management (whether carried out by a professional manager or a self-managing board of home owners), strong planning and organization, and carefully monitoring the association’s affairs. It isn’t easy, but by fairly and effectively delivering these services, community associations protect and enhance the value of individual homes and lenders’ interests in those homes.