

10 Tips in Dealing With Your HOA

In the 1960s, about 500 HOAs existed in the United States, and they've been increasing in popularity ever since [source: Senville]. Today, the Community Associations Institute estimates about 62 million U.S. residents lived in 309,600 HOA communities in 2010 [source: CAI]. That's a major increase in 50 years. So, what purpose do all these HOAs serve?

First and foremost, a homeowners association is an organization of property owners that administers the rules and upholds the [covenants](#) of a subdivision, development or condominium complex [source: Bank of America]. So if you live in a neighborhood with an HOA, its rules affect and limit what you can do to a property you own [source: Snell]. The rules and covenants are enforced by the HOA's homeowner-elected or developer-appointed board of directors.

That's good news to some, since HOA covenants and bylaws preserve the value of your land by ensuring neither you nor your neighbors do anything like paint your house a distasteful color or park several commercial vehicles in your driveway [source: McLinden]. The bad news is that you can't necessarily do what you want with your own private property. Both directors and homeowners have a duty to uphold their ends of the bargain. Neglecting to do so could lead to legal action.

Homeowners associations have other roles, as well. In return for monthly or annual dues, HOAs can provide neighborhood amenities, such as parks, landscape maintenance, club houses and pools, and even fundraising. However, HOAs have often been notoriously difficult to deal with, especially when it comes to homeowner violations or disagreements. So if you want to get the most out of your HOA, you have to know how to deal with it properly. Read on to find out where to begin.

Know Rules and Bylaws

Know your homeowners association's bylaws -- and follow them. It's also good to read through the rules, [covenants](#) and deeds to find arbitrary ones, like one that might prohibit parking a pickup truck in your driveway. Florida resident Anthony Colecchia, a retired New York City firefighter who required extra legroom in his car for medical reasons, learned that the hard way. Sports utility vehicles were fine, according to his HOA, but the pickup truck he owned and parked in his driveway violated a particular bylaw, and his HOA sued him [source: Farley]. Other common covenants regulate fences, the number of rooms in your house, building materials, and even the color -- and shade of that color -- you can paint your house.

Also, know if one bylaw puts another at odds. Another Florida resident, Deborah Waldbillig, who had taken in six puppies, installed a fence so they could run around while she underwent chemotherapy. The HOA required dogs be contained in a fence or on leashes, but it also required getting the fence approved. Before Waldbillig and her husband could get approval, they installed a fence anyway, so the HOA had them take it down. The ordeal even resulted in legal action [source: Pensa].

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Expect the Best from Your HOA

As HOAs become increasingly common, they face controversy regarding their commitment to protecting homeowners. For example, some directors have purchased -- at extremely low prices -- the homes they've helped [foreclose](#) on [source: NPR]. This and other actions give HOAs bad media attention. But all HOAs behave differently. It is important, nonetheless, to ensure your HOA is acting for you. After all, you're paying for it.

A 1999 poll sponsored by the Community Associations Institute reported about 75 percent of HOA residents were satisfied [source: Gallup]. But in 2007, the Los Angeles Times reported that as many as 48 percent of residents considered their associations a "major headache" [source: LA Times]. Concrete statistics on HOA-satisfaction rates don't exist. There's too much diversity in associations' behavior and strictness. To

gauge your satisfaction, check if your neighborhood facilities are in good shape, up to code and attractive to potential home buyers. Your HOA is doing a good job if your neighborhood is suiting your needs and wants, and the board treats you and your neighbors fair and reasonably. But consider this: If your HOA suddenly increases fees and fines, it might be because it's poorly managed its revenues [source: Thompson].

One Florida HOA seemed to mislead its residents by not allowing school buses to pick up children inside the community gate. This was despite the HOA having advertised specifically to families with children by promoting its proximity to Disney World [source: Cyber Citizens for Justice]. So talk to residents living in an HOA community to see if its advertising matches its practices. You might not want to raise a family where school buses can't reach your children.

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Communicate with Other Members

One of the biggest advantages of living in a neighborhood with a homeowners association is the bonds you can form with your neighbors. You might never talk to some of them, but they are paying the same monthly dues and working to stick to the same regulations, so you have a lot in common, and this might come in handy.

First, if your homeowners association suddenly starts assessing violations and charging fees on a large-scale, you're not going to be the only resident suddenly feeling targeted and pressured to pay. In 2010, a community in St. Augustine, Fla., banded together against an association that appeared to be shunning residents' trust and using "extortive methods" to collect dues [source: Historic City News]. The residents somehow learned of each other's plights, and a legal investigation was instigated to see if their complaints had any merit.

Knowing your neighbors can have defensive benefits as well. Sometimes, it's not the association but rather an individual in the neighborhood who calls attention to a homeowner's violation. If you hang your clothes to dry on a line in an upscale, polished subdivision, a member of your HOA may turn you in, and that can result in hundreds of [dollars](#) in fines. But if you've befriended your neighbors, they'll be more likely approach you before the association, and you can avoid the unpleasant scenario entirely.

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Stay Involved

Communicating with other homeowners and the board making the association's decisions is easiest at community meetings. Many associations require only one annual meeting for the purpose of electing the board of directors, which is open to members. Many, however, will hold a mix of meetings open to the board, or the board plus members. In some states, what members can speak about is limited to the items on the board's prepared minutes. But in states such as Florida, new laws allow residents to discuss whatever they please, although their time and manner of presenting is monitored [source: Samouce].

Of course the benefit of attending meetings is not just to be heard, but also to hear what is going on. If an HOA is considering raising its dues next year, you'll want to find out as soon as possible. Similarly, you'll want to learn of any proposed bylaws or other changes in how the community will operate. And if your bylaws allow you to speak at the meeting, voicing your opinion could add a new perspective to a proposed policy that the board might not have considered.

But by far the most important meeting to attend is the annual meeting of the HOA to elect its next board of directors. If your HOA board is showing any signs of abuse or neglect to the homeowners it represents, it might be time for you to vote for a new board.

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Get Approval Before You Make Changes

Gain approval from your HOA before you make any changes to your home.

Florida resident Andrea Piacitelli got her HOA's approval to build a [concrete](#) block wall around her rear courtyard and is likely thankful she did. When her neighbor complained about the wall's intrusion, the board of directors' decision stood because Piacitelli had gained approval in advance [source: Sokol].

Gaining approval in advance is advisable to ensure your HOA doesn't come after you once you build a wall, add an addition onto your home, buy a vehicle that might be considered "commercial" or otherwise forbidden, or do any other potentially disruptive action [source: Varga]. Not all of these are going to appear as items listed against the rules of your association; however, just because a behavior is not explicitly restricted does not mean your HOA will consider it acceptable.

Complaints by other neighbors can call attention to your actions. So, if you anticipate that the change you want to make to your house might somehow bother one or more neighbors, approach them before you initiate the change. Anticipate what they might object to. You'll learn they might have legitimate concerns or that they won't complain about your project -- both will be invaluable to know.

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Run for a Position on the Board

Knowledge might not always be power, but on an HOA board, the two come hand-in-hand. If you're serving as a director on the board, you will always know its latest proposals and how you as a homeowner will be affected and will need to act in the future. And you'll also be able to do something about them.

A director can vote in the board's decisions and influence others' votes. He or she can also propose changes in order to improve the quality of life in the neighborhood. In Boca Raton, Fla., for example, young sisters Samantha and Sophie Chenkin opened a lemonade stand for charity, but the HOA shut it down. The HOA was concerned about their safety, but the security guard felt so bad, he donated a [dollar](#) to their cause [source:CCFJ]. If he'd served on the board of directors, theoretically he could have gone to the next board meeting with a proposal to would allow lemonade stands and preserve the safety of residents.

Directors can have bigger impacts. They can stop practices such as using homes as collateral against risky endeavors, which risk leaving many homeowners in tight spots and unable to control the safety of their property ownership. Ann Roth, of the American Homeowners Resource Center, calls the use of homes as collateral "debtquity." Roth is basically warning that the more your home is worth, the more likely your HOA is to put it up as collateral against something the HOA wants. "You might ask for what?" she writes. "The answer you won't want to hear or believe is everything and anything the board decides is in the best interest of the association."

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Pay Your Dues on Time

The best way to avoid problems with your HOA is to pay your dues on time.

It seems like a big price to pay, but if you fall behind on your association dues, the HOA can [foreclose](#) your home [source: Rebuild.org]. After foreclosing on your home, your association can auction it off and evict you [source: Rich]. One Houston lawyer says if this happens to you, your best option is to appeal to the HOA's humanity.

But that didn't seem to work for one Texas couple, where foreclosures have been increasing over the last couple of decades [source: HOAdata]. In 2009, an Army National Guard captain serving in Iraq had his Texas home foreclosed on by his homeowners association. His wife missed \$800 worth of dues because she fell into a depression, so the HOA auctioned off their home, which was completely paid off and worth

about \$300,000, for just \$3,500, enough to cover their past dues and the HOA's legal fees [source: Goodwyn].

It's cases like this that have some groups accusing homeowners associations of trying to create oligarchies out of their power, in that they are a small group of people controlling masses with intentions of serving their own benefit rather than those of the people they represent [source: Bergemann]. The best way to avoid this type of situation is to pay what you owe and pay on time.

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If You're Fined, Accept It and Pay

You have three options for dealing with a fine. First, you can pay it. The situation will be over and done with. That said, if you make the same violation in the future and have to pay again, your argument for opposing the fine will be weaker, because you've already paid it once, and essentially admitted guilt.

Your second option is to try asking for a variance, which is an exception to the deed or [covenant](#) by which your HOA functions. Sometimes, especially if the HOA doesn't want a legal battle, the variance will be granted. In many cases, the HOA will hold a hearing to which other homeowners are invited, to discuss whether or not to grant or deny the variance [source: FindLaw].

Your final option is taking legal action but this should be your last resort. It is possible to win a lawsuit, and sometimes the HOA will have to pay your legal fees [source:Hutcheson]. But homeowners have taken associations to court over hundreds of dollars only to come back, head in hands, owing the HOA the original fines or dues plus thousands of dollars in lawyers' fees.

The worst thing to do is simply refuse to pay the fines without telling your HOA why you're not. You could risk foreclosure, and considering the hard-playing reputation HOAs have, it's better not to tempt fate.

2

An Abusive or Unresponsive Board

If your HOA is unresponsive to written communication, the first thing you want to do is take every action to contact the directors by phone. If you get no answers, find out if they are holding a meeting and attend it. If they still don't address your concern, you might need to seek legal advice.

Media attention helped Florida resident Rebecca Krueger, who was outraged when her car was booted for being parked on her grass. Except it wasn't -- the tire of her car was simply an inch off of her driveway [source: Eckman]. She spoke to the association manager who told her they boot vehicles every night to make up for the lack of funds from homeowners who haven't paid dues [source: Eckman]. Her story was picked up by a couple of news outlets and, although she wound up paying [\\$200](#) to have the boot removed from her car, her HOA agreed to discuss the situation with her.

If media attention and legal consultation don't convince your HOA to negotiate, you might have to take legal action. Sometimes [court](#) is unavoidable, because the HOA sues a homeowner. Legal fees add up on both sides, and usually the loser pays. In Phoenix, Joseph Haggerty was sued by his association for keeping a garbage can in his front yard instead of the back. The garbage can cost Haggerty about \$12,000 in legal fees when he lost the court case [source: Rich]. Picking battles is part of the struggle, but sometimes even legal action won't make an aggressive association back off.

1

Increasing Rates

What do you do if the HOA keeps increasing your dues at alarming rates? First of all, pay them. There are too many risks involved, including foreclosure, if you don't. Second, review your deeds and bylaws to see what your legal rights are. If you can initiate intelligent dialogue with the HOA board, do so. Unfortunately,

HOAs have reputations for being set in their bylaws and if you don't have any legal basis for your objection to the rate increase, you might be out of luck.

Power is in numbers. If other homeowners feel the same way about the rate increase, join with them. You could hire one lawyer collectively to represent the case and needs of all homeowners who object. The rate hike should be significant enough to make you feel passionate in pursuing legal action because the risk of losing outweighs what the hike will cost you in [money](#) and willingness to conform to the HOA's policy changes in the future. The more people that object to the rate increase, the better off your case will be.

The board determines the rate of dues. If the HOA needs more money, as it may during a recession or if construction and maintenance is required to keep facilities up to code, it is more likely to increase rates or begin assessing homeowners for violations resulting in fines.