

# Frequently Asked Questions Before Purchasing In An HOA

## What is a Homeowners Association?

A Homeowners' Association (HOA) is a group of owners who wish to provide a communal basis for preserving, maintaining and enhancing their homes and property. An HOA has three defining characteristics:

1. Membership in the HOA is mandatory and automatic for all owners.
2. The documents bind all owners to be governed by the HOA.
3. Mandatory lien-based economic assessments / dues are levied on each owner in order to operate and maintain the HOA.

An assessment / dues is the owner's financial obligation to the HOA during a given period of time, usually the budgeted fiscal year, and is a binding legal obligation based on the community's governing documents.

## What Do Your Assessments Cover?

Your assessments / dues cover a broad range of expenses. These include but are not limited to:

- Liability insurance for the common areas.
- Directors and Officers insurance for the Board.
- Professional management services.
- Annual tax returns and government required reports for the Association's financials.
- Fees for collections and violation enforcement.
- Administrative invoicing expenses.
- Common area landscaping.
- If your community has a pool, gate, clubhouse, etc., the assessments maintain those amenities.
- The services will vary per community. Please contact our office for information specific to your community. The community budget will also outline what the assessments go towards.

## What Services Does Blue Door Realty Provide?

The role of the Management Company is to implement the decisions of the Board of Directors, and to administer the services, programs and operations of the HOA within the policies and guidelines set by the Board of Directors. Management services include:

### Property Maintenance of the Common Areas

- Regular inspections of the community and common area.
- Coordination of maintenance, repairs and replacement.
- Response to emergencies.
- Bidding and contracting for services.
- Oversight of contractors employed by the Association such as landscape contractors.

### Administrative Services

- Maintenance of all HOA records.
- Organization and participation in the HOA meetings including Board meetings and member meetings.

- Management of the Association's employees and contractors.
- Education, advisement and guidance to Board and community members on all HOA issues.

### **Fiscal Services**

- Preparation of the annual budgets.
- Development and administration of effective assessment collection procedures.
- Processing of all accounts payable and receivable.
- Collections and delinquency tracking.
- Maintenance of the homeowners' association's fiscal records in accordance with recognized and acceptable procedures.
- Preparation of regularly scheduled financial statements and reports.

### **General Support**

- Assistance in the preparation of newsletters and other informational mailings, as directed by the Board of Directors.
- Supervision of insurance claims.
- Providing information to homeowners, the real estate community and prospective buyers.
- Dispute resolution.
- Enforcement of the community's governing documents including CC&R's Rules and Regulations.

### **How Do I Pay My Assessments?**

Assessments are billed either monthly, quarterly, semi-annually, or annually depending on the community. The resale disclosure package you receive prior to closing will have that information included. The assessments are not included in your mortgage payments so they will need to be paid directly to the management company. Blue Door Realty does not accept cash but you can pay by mailing a check to us or paying online with either a bank account or credit/debit card.

### **Do I Need Permission To Make Changes To My Property?**

Yes, there is a form to fill out for changes and additions made to the outside of your home. This primarily covers the front yard and the exterior of your home. If you intend to put in an addition, shed, patio cover, or any other structure in the backyard, that is also covered by the ACC form. Most projects are approved. The Association reviews projects for how they look and whether they match the esthetics of the community in order to maintain property values and prevent extreme color variations and subpar structures.

## **Information for Brokers**

Please contact us for the assessment amount per month. Many times the sellers do not know what they pay and the amounts in MLS are frequently incorrect. We are happy to provide any information you need to fill out the MLS entries correctly.

If a buyer is on the fence because they want to know if a project will be approved such as a shed or addition, we can have them fill out an ACC form and get approval prior to closing. We ask that the buyer be under contract prior to submitting a request but you can contact our office for the form.

It takes 10 business days to get a disclosure package so please plan accordingly. There is an expedite option but it's an extra fee. The disclosure package and the statement of account needed by the title companies can be ordered separately. The system will not allow duplicate orders for the same property address so you can order it for your client if desired without a duplicate charge at closing.

If you have any questions about the community, please contact the community manager at our office for that property. If you need a status update on disclosure packages, contact [GetDocsNow.com](http://GetDocsNow.com). They have a phone number on their website and a chat box if you have any questions. We do not have that information at our office.

Thank you

Blue Door Realty  
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