



## COVID-19 & Community Associations Statement of Foreclosure Moratorium

As the COVID-19 pandemic impacts the health and well-being of people far and wide, upends daily lives, and causes anxiety and fear, Community Associations Institute (CAI) calls upon all community association stakeholders—board leaders, residents, managers, and business partners—to lead with health and safety, community building, flexibility, understanding, and business continuity in mind. CAI is dedicated to building better communities, and that mission is more important now than ever before.

Community associations are working tirelessly to make prudent decisions during this crisis. They are holding remote meetings, closing common areas and amenities, and instituting extensive disinfecting and cleaning protocols. As residents self-quarantine, work from home, care for their children amid school and daycare closures, and deal with layoffs and lost wages, community associations also are educating their residents about the outbreak and supporting them with outreach programs.

The CAI Board of Trustees applauds the actions community association board leaders and managers are taking and for their dedication to the residents, employees, and business partners in their communities.

Assessments are the lifeblood of community associations and are utilized to deliver essential services to residents such as snow removal, trash pickup, and streetlights and to provide for the upkeep and maintenance of common areas including sidewalks, pools, and roads. Since community associations are nonprofit in nature and work on tight zero-based budgets, it is critical that every homeowner pays their assessments in a timely manner to ensure continuity in providing these services.

The collection of community association assessments is a very serious and important responsibility of the governing board. Failing to collect assessments may impair a community association's ability to pay its bills, provide essential services, obtain financing for continued operations, and may impact the ability of a potential purchaser to obtain a mortgage. Due to this national emergency, the CAI Board of Trustees has developed the following set of principles for community associations to adopt pertaining to homeowners who face challenges paying their assessments.

1. If an owner is unable to pay assessments on time, the owner should notify their community association to work out a payment plan. Homeowners with a financial hardship should be encouraged to apply for government assistance, if available.
2. Community associations should adopt a moratorium on foreclosures until at least December 31, 2020.
3. Community associations should waive late fees and penalties for owners who face temporary financial hardships due to COVID-19.
4. Community associations should amend, temporarily relax, or follow existing non-foreclosure collection policies that are fair and applied equally to all members of the community association.
5. Community associations should continue to record liens to protect their interests.
6. Community associations should emphasize the importance of owners paying their assessments on time, if possible.

The Board of Trustees commits to keeping CAI members updated on regulatory issues impacting their community associations and informed on guidance and best practices from the Centers for Disease Control and Prevention and state health departments.

Importantly, CAI and the Board of Trustees urge everyone to treat each other with respect and kindness during these unprecedented times.

CAI will continue to monitor the COVID-19 outbreak and its impact on community associations and their residents. This statement will be updated as needed.

### **RESOURCES**

Now is a good time to remind community association residents, board leaders, and managers of their [Rights & Responsibilities for Better Communities](#) and the [Community Association Civility Pledge](#).

View the latest COVID-19 resources and guidance from CAI by visiting [www.caionline.org/coronavirus](http://www.caionline.org/coronavirus).

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