

# key FEDERAL ADVOCACY issues

For the 69 million people living in America's community associations (cooperatives, condominiums, and homeowner associations).



## Community Associations by the Numbers

**69 million**

Americans living in community associations

**21.3%**

Percentage of the U.S. population that live in community associations

**\$5.5 trillion**

Estimated value of real estate in community associations

**\$88 billion**

Value of assessments paid by community association residents

**80 million**

Volunteer hours per year association leaders devote to serving their communities

**345,000**

Community associations in the U.S.

**85%**

Percentage of residents that rate their community association experience as positive (63%) or neutral (22%)

SOURCE: SURVEY BY ZOGBY ANALYTICS

FOUNDATION FOR COMMUNITY ASSOCIATION RESEARCH (FCAR)



# Disaster Relief and Recovery

**Disaster Assistance Equity Act of 2017 (H.R. 3238)** would:

- **Make community associations eligible for federal assistance** from the Federal Emergency Management Agency (FEMA) following a presidentially declared disaster. Currently, community association homeowners pay the same federal taxes and are denied FEMA funding for neighborhood recovery, while those not living in community associations are eligible.
- **Remove cumbersome requirements** to authorize disaster recovery work to clear debris from community association roads and waterways so emergency vehicles may pass.
- **Qualify condominiums and cooperatives to receive FEMA funded repairs of key structural elements** to restore buildings to safe and habitable conditions following a disaster.

**House of Representatives:** Co-sponsor and support H.R. 3238.

**Senate:** Sponsor a companion bill to H.R. 3238.

## **National Flood Insurance Program (NFIP)**

### **H.R. 2874 21<sup>ST</sup> Century Flood Reform Act**

- **NFIP** has been reauthorized until July 31, 2018. Community association homeowners face the possibility of devastating under-insured or uninsured losses if NFIP's statutory authority expires and a lapse ensues.

**House of Representatives:** Passed H.R. 2874. No further action needed.

**Senate:** Support meaningful reform and a multi-year reauthorization of the NFIP.





# Housing Finance Reform

CAI supports housing finance reforms that ensure qualified community association homeowners/homebuyers have access to mortgage credit.

## Key Questions on Housing Finance Reform for Policymakers

- Will mortgages be readily available to association homeowners/homebuyers or will reform mean a burdensome and costly process?
- Will reform preserve state priority lien laws protecting the financial stability of an association?

For a full list of CAI's Housing Finance Reform Principles, visit [www.caionline.org/housingfinancereform](http://www.caionline.org/housingfinancereform)

# Reform Federal Housing Administration (FHA)

In July 2016, Congress passed the **Housing Opportunity Through Modernization Act (HOTMA)** requiring greater access to FHA-insured condominium unit mortgages for qualified borrowers. Today, fewer condominium homeowners have FHA-insured mortgages than when **HOTMA** was enacted.

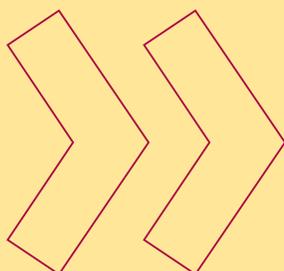


Since HOTMA, only **6%** of U.S. condominium projects are FHA-approved and **93%** of condominium homeowners have no access to FHA-insured mortgages.

CAI supports commonsense reform of the FHA Condominium Mortgage Insurance Program so buyers have access to FHA money for condominiums.

**Policymakers** should reform the program to:

- Simplify certification process
- Simplify renewal process
- Provide single—unit approvals by lenders





# Community Association Model Economic Contributions

There are three basic types of community associations: homeowners associations, condominium associations and housing cooperatives. While each community association will have its own history, personality, attributes and challenges, all associations share common characteristics and fundamental principles—

- Community associations provide services and amenities to residents, protect property values, and meet the established expectations of homeowners.
- Community association homeowners choose where to live and accept a contractual and ethical responsibility to abide by established policies and to meet their financial obligations to the association.
- Community association homeowners have the right to elect their community leaders and to use the democratic process to determine the policies that will protect their investments.
- Community association leaders and residents should be reasonable, flexible and open to the possibility—and benefits—of compromise, especially when faced with divergent views.
- Community association leaders protect the community's financial health by using established management practices and sound business principles.
- Community association leaders have a legal and ethical obligation to adhere to the association's governing documents and to abide by all applicable laws.
- Community associations cultivate a true sense of community, active homeowner involvement, and a culture of building consensus.

## COMMUNITY ASSOCIATIONS BY THE NUMBERS (2016)

**\$5.5 trillion**

Estimated value of real estate  
in community associations

**\$88 billion**

Value of assessments paid  
by community association residents  
to support their communities

**69 million**

Number of community association  
residents nationwide

**80 million**

Number of volunteer hours  
association leaders devoted  
to serving their communities

**345,000**

Number of community associations  
in the United States

# Employment and Economic Impact

Community association managers are professionals responsible for the administration and management of condominiums, housing cooperatives, and homeowners' associations. Community association managers have expertise in board governance, budgeting and financial management, risk management, facilities maintenance, contracting, organizational management, and building a sense of community.



**21.3%**

Percentage of the U.S. housing stock in community associations. By 2040, it is expected the community association housing model becomes the majority form of housing. Similarly, community association management is a rapidly growing profession with measurable opportunities for growth and tremendous job stability.



**\$5.5 trillion**

Estimated value of real estate in community associations.



**\$88 billion**

Paid for assessments which is reinvested into the local economy for municipal-like services, insurance, community beautification, capital improvements, and more.

## EMPLOYMENT OPPORTUNITIES AND STABILITY



**85%**

Percentage of community association management professionals surveyed, view their career prospects as good or very good.



The average salary ranges from assistant manager **\$43,725** to large-scale manager **\$107,795**—all higher than the average salary of U.S. workers.

[www.caionline.org/advocacy](http://www.caionline.org/advocacy)



## Community Associations Institute (CAI)

With nearly 40,000 members dedicated to building better communities, CAI develops and provides information, education and resources to association board members, community managers, and other professionals who support community associations. CAI's mission is to inspire professionalism, effective leadership, and responsible citizenship—ideals reflected in homeowner associations and condominium communities that are preferred places to call home.



(888) 224-4321  
[www.caionline.org](http://www.caionline.org)

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