

HOA: About homeowners associations

Love it or hate it: Area residents have a lot to say about HOAs

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Cox News Service

Any housing development with one or more shared common area — a park, a pool, a drainage basin — must be maintained by a homeowners association.

Why?

Because after a developer completes a subdivision, it is up to the homeowners to collectively maintain their community.

The primary purpose of a homeowner association is to manage neighborhood common areas, such as roads, pools and parks.

Homeowners pay mandatory dues, ranging from \$100 to \$10,000 a year depending on what amenities a community offers.

HOAs also are responsible for enforcing the community's bylaws and deed restrictions that outline what homeowners may and may not do on their property.

Residents who violate terms in the bylaws can be fined.

One of the greatest advantages of living in a HOA is the maintenance of a neighborhood's appearance, and, thus, its property values, according to Frank Rathbun, vice president of communications for Community Associations Institute in Alexandria, Va., a 30-year-old national trade and lobbying organization that represents homeowners, property managers and community associations. It is considered the clearinghouse for HOAs.

"It prevents a neighbor from parking his 1963 Buick in the driveway, and another from painting his shutters black and front door yellow," Rathbun said. "The homeowners control their community. They vote for who represents them. They agree on rules, from architectural guidelines to fences and sheds. It's the most basic form of democracy — homeowners representing their own best interest."

But opponents of HOAs contend there's nothing democratic about the institution.

HOAs are unregulated mini-governments, according to George Staropoli, founder of Citizens Against Private Government HOAs in Scottsdale, Ariz.

Staropoli, a business broker, is perhaps the nation's most vocal critic of homeowners associations. He writes extensively against HOAs, has taken homeowner rights issues to state legislators and has a Web site — www.pvtgov.gov — where he challenges and monitors HOA legislation.

“They are private contracts, and local governments do not protect residents’ due process and equal opportunities of the law,” Staropoli said. “There’s no accountability, and they run as governments themselves.”

HOAs should come under the same protection of constitutional rights just like every other government entity, he said.

“When the board fines you, where do you go for your due process? You go right back to the same people who fined you,” Staropoli said.

He also said he has qualms with the constant monitoring of residents’ property by HOAs.

“It says that we, the board, don’t trust our neighbors, and we have to spy,” Staropoli said. “Is that how you generate a healthy, vibrant community?”

But Rathbun said that while critics may not like the rules, enforcing them is what maintains a neighborhood’s curb appeal and enhances homeowners’ property values.

“One of the biggest advantages too often becomes the biggest issue: maintaining the appearance of the community through parking, architectural guidelines, what you can and cannot build,” he said. “Most do enjoy living in HOAs. But some don’t. Not all people are made to live in community associations.”

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FRANK RATHBUN

Vice president of communications, Community Associations Institute

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CINDI ANNICHENNE

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HOA: HATE IT — Fees nearly cost Monroe couple their home

HOA fees nearly cost Monroe couple their home

MONROE — They picked Monroe because it reminded them of home.

But three years after they built their four-bedroom, 3.5-bath home on a quaint cul-de-sac in one of the area's newest subdivisions — the couple was threatened with foreclosure.

Jack and Cindy Annichenne have never missed a mortgage payment since they moved here from Hillsville, Pa., a small town that hugs the Ohio boarder just northwest of Pittsburgh.

They did, however, miss paying their \$290 dues for one year to the Monroe Bridle Creek Homeowners Association.

The offense almost cost them their home.

"I didn't want to pay it," Cindy Annichenne said of the missed 2002 dues that resulted in the association placing a lien on their property. "Why should I pay to be tortured?"

The "torture," Jack Annichenne said, started just months after they moved into the neighborhood.

First, they were threatened with a fine for leaving their Christmas lights up three weeks too long.

Then there were the letters and members of the homeowners association knocking at their door.

They were warned of too many cars parked in the driveway, a van they were selling parked sitting on the street too long, an unapproved flower arrangement in the front yard, their motor home parked in their driveway.

All of these are offenses cited in the Bridle Creek Homeowner Association's manual of covenants, conditions, restrictions, easements and liens.

That means the Annichennes could be fined for each offending violation.

When they bought their house, the couple said, they knew nothing about the rules they would be bound to as mandatory members of the association.

They said they didn't even see a copy of the 40-page bylaws until after closing on their home.

"I mean, what are you going to do if you don't like the rules?" said Jack Annichenne. "You've already bought the house."

What offends the family the most is being confronted by neighbors, the Annichennes said.

"They come to your house like the Gestapo," Jack Annichenne said. "They come and beat on your door. I said, 'Hey, this is America.'"

Shortly after the Annichennes were faced with the lien, they paid \$1,400 in late fees and lawyer fees to save their home.

“It makes you feel like everything you do, they’re watching. It creates conflict between neighbors,” Cindy Annichenne said. “If we ever had to build again, it would never be where there’s an HOA.”

Despite her discontent, Cindy Annichenne doesn’t like to talk about moving.

She likes the area, and the couple still has a son, Dustin, in school here.

She also is a nurse at The Fort Hamilton Hospital and has a career to think about.

“All I do is work for this house,” she said.

But even as her husband looks around his home with pride and explains plans to finish their basement and put down new carpeting, he’s not sure how long they’ll be around to enjoy it.

“We’re thinking about selling to get out of here,” he said, despite his wife’s optimism. “It could be a beautiful neighborhood if not for this association. I feel hurt — like we’re not wanted here.”

HOA: LOVE IT — Couple takes a lead role in managing community

Paying your dues: ‘Mini governments’ regulate community Maintaining property values or pitting neighbor against neighbor? Couple takes a lead role in managing community

MASON — There’s no doubt Pam and Patrick Grimes work as a team. Married for seven years, their neighbors also see their partnership in work within their neighborhood: they lead the Deerfield Village Homeowners Association.

They consider the volunteer assignment as fun, challenging and rewarding.

Pam Grimes recently assumed the top title as president, a role her husband previously held, while Patrick is now vice president. In the past, she has served as social chairwoman on the four-seat association board.

Whether it’s walking in their subdivision, dining at home or hanging out with neighbors, the Grimeses are accustomed to getting things done for the 110-home Deerfield Village.

They moved to their Misty Springs Court home seven years ago, and they have been community leaders ever since. The builders — the Columbus-based M/I Homes — developed the association’s rule book and turned over responsibility to the homeowners who make up the five-street subdivision.

The Grimeses said their homeowners association, or HOA, is different than most others, because the homeowners themselves — not an outside management company — oversee the association. That means all the decisions are made by the homeowners.

Most new developments are managed by a private company until all or the majority of the subdivision's lots have been sold, which typically could take several years to complete.

When nearly 50 percent of the lots are turned into homes, homeowners are usually grafted into the leadership team to learn how to manage the neighborhood when the developer eventually hands over the responsibility.

In the Grimes' situation, their board was comprised of homeowners from the beginning, sharing responsibilities of treasurer, social chair, president and vice president. While roles have shifted over the past seven years, the same people have been trying to lead without much participation from other homeowners. Only one family attended the last annual meeting, and that was to express an interest in getting rid of the association, Pam Grimes said.

But she said this is not an option for her because she loves what the association is capable of doing — preserving the value of homes. However, that is not an easy task when her neighbors have no idea they are breaking all the rules.

"I think the nice neighbor method hasn't been working," Pam Grimes said of dealing with enforcement issues.

Instead of fining her neighbors or suing them to get them to obey subdivision rules, she said board members have knocked on doors, made phone calls, begged, pleaded and even gone to county officials to solve persistent problems. She said one neighbor appears to have a used car lot in his driveway, much to her chagrin.

The bylaws for Deerfield Village are flexible, she said. The fence rule requires a split-rail style without a screen, but homeowners do violate that rule. They are allowed any type of wood, but no metal. Still, one neighbor has a wrought iron fence, which Pam Grimes said looks "beautiful."

The problem, she said, is getting residents to show up to amend the rules since so many have been accustomed to breaking them.

While Grimes is open to bending some rules, she said it is impossible to amend the bylaws without community participation.

In order to make changes to any policy, she said, she needs 75 percent of the community to vote on it.

Forcing them to tear down privacy fences or install a uniform mailbox may cause contention among the homeowners, some of which would prefer to toss the rule book out the window, she said. But writing them a letter explaining their violations may get them to show up at a meeting, she added.

"I don't want everyone mad at me," she said

That is why she is considering turning the association over to a management company. First though, she wants to amend the fence rule so her neighbors aren't all fined and don't eventually become furious.

With a management company, violations will be handled much more strictly. She said she hopes to bring a company in some time next year. In the meantime, she said she plans to talk to other homeowner associations to learn about the management companies and how the process works.

“I’m afraid it’s going to go to pot,” she said of the overall appearance with people breaking rules. “Too many things are going to get overlooked.”

With a management company left to deal with those headaches, Grimes said she will have more time to write the newsletter she started two years ago, discuss neighbors’ concerns and ensure the neighborhood meets the standards set by the association rule book.

“The key thing that I guess I’ve been doing is seeing what needed to happen and getting it done.”

One hour in the life of a HOA Manager

FAIRFIELD TOWNSHIP — In this job, you should never forget your walking shoes.

From sun-up to sun-down, David Mitchell’s job is to walk the streets and yards of nearly 20 subdivisions governed by homeowners associations, or HOAs.

He is a community manager, and he spends his days following up on complaints and scoping homes for HOA violations.

As a manager for Ace Community Management — which oversees homeowner communities in the Cincinnati and Dayton areas — Mitchell upholds the very premise on which HOAs were designed: the protection of property values.

He is responsible for overseeing 17 communities and walks through each for at least 45 minutes once a week.

On this particular afternoon, he surveys Fairfield Township’s Fairfield Ridge community.

The Fairfield Ridge community is three-years-old and features homes from builders Dixon and Fischer which start at \$190,000.

Only half of what will be 244 homes in Fairfield Ridge have been built-out, so the current developer is still in control of the HOA.

As a community manager, it is Mitchell’s job to implement the rules and decisions of an HOA’s board.

Often, that means following-up on resident complaints on the neighborhood’s appearance.

When he sees a violation of an HOA's covenants, it's his job to notify the homeowner.

"It's the hardest thing for neighbors to confront each other," he said. "It's nothing personal when I write a letter saying: 'Don't you want your property value to appreciate.'"

After about 20 minutes of walking, he spots an offense.

"We're approaching one of the areas of trouble."

He raises his camera and snaps a picture for the record.

A resident has recently erected a chain-link dog fence — prohibited by Fairfield Ridge's HOA rules.

"This is my friend," he jokes, pointing to the camera. "I want to see the problems before the homeowners do."

Mitchell will send the resident with the fence a letter, specifying the violation and requesting it be removed.

If, after several warnings, the fence is left standing, the HOA has the authority to assess fines and even take down the fence.

But Mitchell said it rarely comes to that.

As a manager, Mitchell said he is responsible to both the developer and the homeowners.

He said he walks a fine line to do his best as a honest broker to both parties.

"I have one major problem. I like to get close to my clients — know their names, the dogs' names," he said. "But that can be a bad thing. You can't blur the line between client and friend."

HOA Day 2 Intro

David Mitchell makes his living by enforcing the rules.

When you buy a home, condominium, or townhouse in a homeowners association (HOA), you agree to follow the rules.

That means, as a member of a HOA, you likely can't erect a shed or chain-link fence in your backyard.

And you'll probably get in trouble for parking your motor home in the front driveway.

HOA rules — often referred to as covenants, codes and restrictions — dictate what homeowners may and may not do on their property, all in the interest of protecting the property values of the homes in an association.

Mitchell is a community manager for 17 homeowners associations (HOA) in the Cincinnati and Dayton areas.

For about an hour each week, he walks through each neighborhood, following up on resident complaints and scouting out HOA violations.

As a manager, he is directly employed by area HOAs, and is responsible for maintaining communities by implementing the rules and decisions of the boards.

“In a way, it’s like governing a country,” he said. “I’m the executive and they’re the legislative. I have to translate their expectations into reality.”

Violations could lead to fines, finger-pointing

Cedarbrook

LIBERTY TOWNSHIP — Tearing down a storage shed was the least of Melisa Klusman’s worries.

The realization that she had offended a neighbor devastated the homeowner who thought she got along well with everyone on her block.

Melisa and Jeff Klusman park both cars in the garage. They keep the bushes trimmed. They don’t collect lawn ornaments, and would never intentionally cause grief to neighbors.

They assumed they were the typical suburban homeowners

That is why the couple didn’t think twice about signing a contract with the Cedarbrook Homeowners Association, though they had not seen the bylaws. The busy couple said they probably wouldn’t have had time to look through it had they been given a copy before moving into their new home.

“What do we do that a homeowners association could frown upon?” Melisa Klusman said she naively thought when she and her husband, both insurance agents, built their house on Treeside Drive in 2003.

That is why Klusman said she was stunned when she received a letter from her homeowners association, Amity Associates Inc., stating a neighbor had complained about her newly erected shed. It would have to be torn down within two weeks, but it did not say what would happen if the request was not followed, she said.

“We violated probably every rule,” but she said, “it just never entered our minds.”

It took about five days to put together the \$500 Black & Decker plastic shed that primarily held toys so her children and their friends could access them easily. Throughout the summer, neighbors would stop by and comment about how much they liked the new addition next to her home, she said.

Bern's Landscaping of Middletown designed the area with flowers and shrubbery, accented with a flagstone path that led to the storage building.

"We didn't just throw up a lean-to," she said. "We were devastated."

But, to comply with regulations, the structure would have to be a shingled shed painted the color of the house or stained wood located 10 feet from property lines and 20 feet behind the house, but not be visible from the road.

Klusman said she took full blame and complied with the letter, not wanting to cause a scene. The shed was down within the week and delivered to her sister, who bought it for \$200. All the toys were piled in the garage and basement, though she said the thought of throwing them all over the yard did momentarily cross her mind.

Considering hours of labor that went into constructing and deconstructing the structure, the money spent on leveling the area, and then the bushes bought to cover the vacant square in her yard — it turned into a costly error.

Most aggravating, she said, was the treatment she got when she called Amity to learn which neighbor filed the complaint. She was told she would have to come down to the office to read the complaint.

In the meantime, she went door-to-door asking her neighbors whether they were offended by her shed.

Neighbor Eric Lemen said he had not even noticed the shed and was surprised when Klusman asked if he had turned her in. He told her his family would never turn in a neighbor unless there was a "huge eye sore."

After Klusman talked to all her neighbors, she called to arrange a time to meet with her homeowners association's manager. At that point, she was told there was a mistake. A neighbor had not turned her in, the lady told her, but it had been discovered during a routine inspection.

Judi Channels, a vice president for Amity Associates, said the wrong form letter could have been sent, but the company does its best to protect the identity of neighbors who do file complaints. The intent is not to turn neighbors against each other, but rather to protect the property values, she said.

Still, Klusman said they lied to her in writing and then again on the phone. That it was simply a mistake, she said, was hard to believe.

Now, Klusman and her neighbors wonder whether the association is helping to keep the neighborhood looking nice or if it instead is creating strife among residents.

Turning others in is not something Klusman can ever imagine herself doing, simply because communication should be all that is necessary in a close-knit community like hers.

But, she warns others who find themselves in her situation to read and understand what they sign.

“If you’re not careful, you could really get into a lot of trouble. Ours was only \$500. It could have been a lot worse.”

It’s black and white: Follow the rules

Ex-board member wants stricter consequences for violators

MONROE — Jeff Caron moved into his Monroe homeowners association from Loveland because he wanted to escape old neighbors who kept trash and cars on cinder blocks in their driveways.

So when he looks out of his new front window and is reminded of that lifestyle, he gets mad.

“I moved into a HOA because of the restrictions,” he said. “I know how to abide by rules. Most people don’t.”

On any given day, Caron — who is retired from the Army and home most of the day — can instantly spot numerous violations on his own street.

A white mailbox post, flat tires on a car parked on the street, a chain-linked fence.

They are all offenses, he said, that breach Monroe’s Bridle Creek HOA’s covenants, rules and restrictions.

And when his neighbors break the rules, Caron notices.

That’s because he was trained to search out violations in his community.

He was the first member elected to Bridle Creek’s homeowners association in 2000, a post he held for four years.

He said he gave it up because he was tired of baby-sitting people, tired of the conflict among neighbors, tired of being persona non grata.

As a board member, Caron’s job was to keep tabs on residents’ violations, often times knocking on a neighbor’s doors to warn them of some infraction.

Bridle Creek residents know him for his relentless enforcement of the rules.

“I was elected because with my military experience, I realize when things aren’t right,” he said. “In the military, if you leave your porch light on, you get fined.”

That’s exactly how he believes his HOA should operate.

“If you’re going to take on a job, you have to be active. It’s not just a title.”

The problem, Caron said, is that people buy a home without reading the rules.

“When I was in the model home, she handed me the covenants, I read it, and was fluent.”

Even though he’s no longer on the board, Caron said he’s still proactive in the community and pushing for HOA reform.

There needs to be a more effective system for enforcing the rules, he said, suggesting the HOA’s management company should have that duty.

“I see black and white. I don’t believe in grey areas. If a person violates a rule, somebody has to enforce it. But not another homeowner because that pits neighbor against neighbor.”

HOA: Whose Home? About the series

HOAs represent fastest-growing segment of U.S. housing

Everyone’s lawn is landscaped.

Every home is painted a hue similar to its neighbors.

There are no cute figurines in the front yards, or sheds in the back.

No cars on cinder blocks in the driveway.

No pink flamingo displays for your birthday.

They represent the fastest-growing segment of housing in the United States and are home to nearly four out of five new houses built since 2000.

They are homeowner associations: private governments set up by real estate developers to run common-interest housing developments.

For many, these communities offer shared amenities, such as swimming pools, tennis courts and parks — luxuries that, individually, most families could not afford.

Residents of homeowner associations, or HOAs, pay dues for the upkeep and maintenance of shared amenities in their neighborhoods.

They also live by strict rules that dictate what they may and may not do on their property.

Some say the amenities, attractive appearance and consistency these neighborhoods offer is worth every penny.

But for others, the volumes of covenants, conditions and restrictions that come along with buying a home in an HOA are causing them more conflict than comfort.

They argue that the conformity HOAs demand, as well as having to live by the rules, just isn't worth it.

In this four-part series, Journal reporters Meghan Crosby and Lindsey Hilty hit the streets to take the pulse of families across Butler and Warren counties living in communities with HOAs.

And we've compiled their stories to give you an idea of what effects living by the rules could have on what is perhaps the most important investment you will ever make: buying a home.

HATE IT

LOVE IT

Patrick and Pam Grimes

Where: Deerfield Village, Mason

Who: Residents and board president and vice president

Why they love their HOA: It keeps the neighborhood in good condition and preserves the value of homes. "The key thing that I guess I've been doing is seeing what needed to happen and getting it done," Pam Grimes said.