

**“What are HOA Monthly Assessments and**

**Why Should I Pay”**

The monthly assessments/fees are contributions from homeowners. The assessment is a set amount that pays for the upkeep, maintenance and amenities in the community. In order for the HOA to fulfill it’s obligations, it requires funding, and that’s what HOA fees pay for.

Lakeview at Brandywine Home Owners Associations have a governing body elected to the Board of Directors. The Board of Directors generally makes business decisions, such as establishing a budget, determining who will provide the blanket insurance policy, and what is the timing and frequency of component replacement (fences, roofs, siding), etc. The Board of Directors generally hires a management company (Currently CMC), to oversee who performs the HOA obligations, which often include tasks such as landscaping, pool maintenance, clubhouse maintenance, common area maintenance, play areas, exterior maintenance, water bill, electric bill, and even a cable bill. The management company may use their own staff, or they may hire sub-contractors to perform these tasks.

Many homeowners do not see the value in paying HOA dues. Yet, if one understands that the fees are going to support the development and lifestyle amenities within the community, it often makes sense. Building insurance alone is a huge expense for the association, as is liability expense for insuring the common areas.

Establishing the amount of HOA dues is a fine balance, it needs to pay the current obligations and set aside reserve funds for repair and replacement expense.

Know this: If the HOA is deferring maintenance items due to lack of funds or oversight, it can cost the homeowners much, more in the long term due to increased repair expense. For example, failure to paint wood siding and seal it from moisture intrusion can cause decay. It’s cheaper to keep it painted than it is to replace the siding!

**What Happens if I do Not Pay**

**My Monthly HOA Assessments**

The maintenance and management services incurred by the Association are dependent upon timely receipt of the assessments due from each homeowner. Late payments will result in a late charge. In addition, the Association has the right to charge late fees and interest, proceed with a lien on your property, and forward your account to a collections attorney.

When homeowners stop paying HOA dues, the HOA has a smaller cash reserve to pay for its expenses. Without enough money, the neighborhood may deteriorate, lowering the value of your home as well as your neighbors’ homes in the community. To maintain existing standards, the HOA has to absorb losses or charge higher HOA fees to homeowners in an effort to cover expenses. In actuality, the neighbors who are current on their HOA monthly fees are paying for the delinquent homeowners.

Homeowners who owe HOA assessments may find themselves in a foreclosure situation because the HOA has the legal right to recoup delinquent assessments, even if the homeowner is current on their primary mortgage, as mortgages usually do not include HOA dues. The HOA will eventually have to use all methods, including heavy-handed tactics like foreclosure, to force payment from homeowners.

To sum it up…not paying your HOA dues will cause your community to deteriorate, lower your home values and increase the HOA dues for the homeowners who are paying their assessments. Let’s work together as a community to find solutions to help those who are behind in their assessments. If you find you cannot make your monthly assessment, please call CMC or email your Board of Directors for a solution.

**Remember not paying your monthly HOA fees is “NOT” the right solution. Your property value will decrease, your community will deteriorate, and you will have an “Ongoing Outstanding” HOA assessment “Balance” that will not disappear unless you pay.**