

**HOA Home Owners can save \$350 each when they sell their home: end HOA Transfer Fees**

Visit the Colorado HOA Forum's web site [coloradohoaforum.com](http://coloradohoaforum.com) for a wealth of information on this property manager (PM) fee that represents duplicate billings to home owners, is not justified by work completed, it is pay on demand with no questions asked or even a written receipt for work completed, is retained by the PM not HOA, is not a required charge to the home seller by either the HOA or by law, and if you don't pay it you will not be able to sell your home and/or a lien will be placed on your home that can lead to foreclosure. This abusive practice is easy to end and save home owners money simply by instructing the property management company (PMC) the fee is not allowed and the only mention of this fee in their contract will state that the fee can only be charged upon the sale of a home for unique charges only incurred by the management company due to the home sale and only for work completed that is necessary to meet demands for the sale of the home and no optional services unless authorized by the Board at time of sale.

**Note: Transfer Fees are not charged by all PMCs with no detriment to the HOA!**

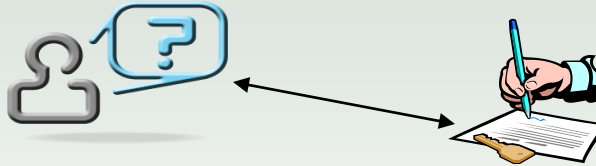
**HOA Property Management Companies (PMC) Supervising the Supervised: very costly**

If the PMC is assessing charges on capital improvements, landscaping, etc. to oversee/supervise the work this is double billing

Colorado HOA Forum: a home owner's advocacy group dedicated to improving HOA governance and enforcement of home owner's rights.  
Contact us:

**Colorado HOA Forum**  
[www.coloradohoaforum.com](http://www.coloradohoaforum.com)

An How-To guide for containing/reducing HOA Operating Costs and HOA Dues without negatively impacting the quality of life and home values within the community



**HOA Home Owner's Cost Reduction Ideas**

**(the goal is to increase the efficiency & effectiveness in managing the community's resources without impacting the quality of life/property values in the community)**

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**Guiding Principle of HOAs**  
**You give up something to get something**

Most HOAs are managed by property management companies (PMC). Most HOA Boards are not exercising their fiduciary responsibilities of managing the PMC and its' contract with the HOA, questioning PMC charges to the HOA, getting involved in the contracting processes, setting priorities, and requiring progress reports from the PMC for payments, This alone makes the HOA vulnerable to abusive practices and mismanagement of HOA finances.

**HOA Home Owner's Cost Reduction Ideas**



A good place to start is a review of your HOA by-laws and property management company contract with the HOA

**HOA Home Buyer's and Maintenance Brochures are available on our web site**  
[www.coloradohoaforum.com](http://www.coloradohoaforum.com)

## Cost Saving Opportunities

Gated Communities:

Remove Gate

Remove Gate and responsibility for roads:  
paving, snow removal

Community Center:

Who and how many are using: cost justification

Can service be provided at less cost elsewhere, hire a contractor to run

Operating hours and staff

Amenities provided: swimming pool, spa, appliances, internet, cable tv

Swimming pool vs locality pool

Bar-b-que areas

Use of printers and faxes and supplies

Internet and cable TV costs

Gated community? Consider removing gate  
Discuss costs to maintain streets vs city if gates removed

Benefits of dissolving HOA turning over maintenance of streets, light posts, sewage to city



Partner with nearby HOAs in bidding for trash pickup/recycling to take advantage of economies of scale

Take control of your newsletter and sell advertising

Mailing charges that could otherwise be completed by email

Mailing home owner monthly billing statements vs email or only on demand

Policy to replace security keys, remotes when home owner loses

Snow removal contract and policies: re-bid, when are roads plowed (inches on ground, not during snowfall, begin one hour after snowfall ends), when side-

## HOA Home Owner's Cost Reduction Ideas

### Change governing documents

Place limits on the amount of special assessment a Board can independently complete



without home owner vote  
Require all litigation entered into by the HOA other than everyday requirements such as debt

collection, be approved by home owners



Pet restrictions: consider measures to ban vicious dog breeds or by size to reduce home owners insurance



Home owner's insurance: don't over insure your residence, if the HOA has an master/umbrella policy that covers damages such as your roof and siding you may be eligible for H06 insurance coverage

Maintenance responsibilities: ensure the HOA is not paying for home owner repairs and maintenance

Review the contract with property management company (PMC): end non-essential services, end services that other staff or volunteers can complete, ensure PMC is not charging to supervise capital projects, snow removal, or landscaping jobs

Review the continuation of HOA community amenities: survey usage, cost to maintain, services provided elsewhere.

Identify use of all common areas to ensure they serve the community and not a low use, special need such as an RV parking lot

Rent out clubhouse

Get prior approval from the HOA Board for all home improvement and landscaping projects PRIOR to completing the work

### Cost Avoidance

If you are a small HOA with non-complex community needs consider self managing to reduce property management costs

Recognize volunteer work that saves all home owners on expenses

Curtail clubhouse hours

Develop maintenance schedules for community resources to avoid major repairs

ADA compliance to accommodate home owner needs and avoid legal problems

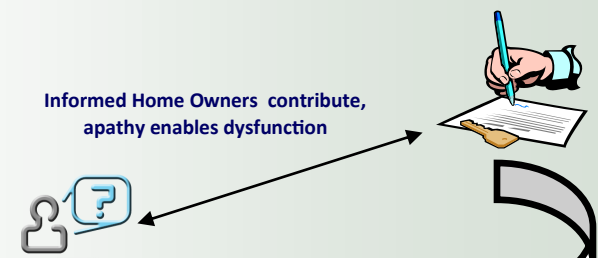
Transfer maintenance responsibilities to home owners and penalties for negligence

Apply for community/State/Federal grants on capital projects

Home owners should periodically inspect financial records for suspected misappropriation of funds

Safeguard capital projects with proper insurance, consider an owner controlled insurance policy ("OCIP") coverage

Fidelity insurance for crime: fraud, embezzlement



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Brochures: HOA home buying and mainte-