

National and State

statistical review **FOR** **2013**

U.S. associations, housing units and residents

Year	Communities	Housing Units	Residents
1970	10,000	701,000	2.1 million
1980	36,000	3.6 million	9.6 million
1990	130,000	11.6 million	29.6 million
2000	222,500	17.8 million	45.2 million
2002	240,000	19.2 million	48.0 million
2004	260,000	20.8 million	51.8 million
2006	286,000	23.1 million	57.0 million
2008	300,800	24.1 million	59.5 million
2010	309,600	24.8 million	62.0 million
2012	323,600	25.9 million	63.4 million
2013	328,500	26.3 million	65.7 million

Homeowners associations account for about 50+% of the totals, condominium communities for 45–48% and cooperatives for 3–4%.



NOTE: The term "community association" in this report refers to planned communities (e.g., homeowners associations, condominium communities and housing cooperatives).

Additional statistical information published by the Foundation for Community Association Research is available at www.cairf.org/factbook.

Community Associations by State

State	Number of Associations	% of All U.S. Associations
Florida	46,000	14.2
California	42,500	13.1
Texas	18,400	5.7
Illinois	17,900	5.5
North Carolina	12,900	4.0
New York	12,600	3.9
Massachusetts	11,800	3.6
Washington state	9,900	3.1
Georgia	9,900	3.1
Colorado	9,000	2.8
Arizona	8,900	2.8
Virginia	8,200	2.5
Ohio	8,000	2.5
Michigan	7,900	2.4
Minnesota	7,300	2.3
New Jersey	6,400	2.0
South Carolina	6,400	2.0
Pennsylvania	6,400	2.0
Maryland	6,400	2.0
Missouri	5,200	1.6
Wisconsin	4,900	1.5
Connecticut	4,700	1.5
Indiana	4,600	1.4
Tennessee	4,600	1.4
Oregon	3,600	1.1
Nevada	3,200	1.0
Utah	3,200	1.0

Between 2,000 and 3,000 associations

Alabama, Idaho, Iowa, Kentucky, New Hampshire

Between 1,000 and 2,000

Delaware, District of Columbia, Hawaii, Kansas, Louisiana, Maine, Montana, Nebraska, New Mexico, Oklahoma, Rhode Island, Vermont

Fewer than 1,000

Alaska, Arkansas, Mississippi, North Dakota, South Dakota, West Virginia, Wyoming

Total U.S. associations: 328,500

National Data

24

Percent of U.S. homes in community associations

\$4.65 trillion

Value of homes in community associations, Q4 2013

\$65 billion

Assessments collected from homeowners. Assessments fund many essential association obligations, including professional management services, utilities, security, insurance, common area maintenance, landscaping, capital improvement projects, and amenities like pools, tennis courts and club houses.

\$20 billion

Assessment dollars contributed to association reserve funds for the repair, replacement and enhancement of common property, e.g., replacing roofs, resurfacing streets, repairing swimming pools and elevators, meeting new environmental standards and implementing new energy-saving features

50,000–55,000

Community association managers (includes on-site managers and those who provide part-time support to a number of communities)

30–40

Percentage of community associations that are self-managed, meaning they may use professional assistance for specific projects, activities and services, but do not employ a professional manager or management company for day-to-day services

7,000–8,000

Community association management companies

95,000–100,000

Individuals employed by management companies

1,675,000

Community association board members

591,000

Community association committee members

76,300,000

Hours of service performed annually by association board and committee members

\$1.7 billion

Estimated value of time provided by homeowner board and committee members based on the Bureau of Labor Statistics estimate of \$22.14 per hour for volunteer time

2014 National Survey of Community Association Residents

An independent, national survey of community association residents conducted in early 2014 by Public Opinion Strategies affirmed what we learned from similar national surveys in 2005, 2007, 2009 and 2012:

- Residents are satisfied with their associations—90% rate their community experience as positive (64%) or neutral (26%).
- Residents are happy with their community association board members—90% say their elected homeowner leaders “absolutely” or “for the most part” serve the best interests of the community; 92% say they are on friendly terms with their current board members.
- Residents value their community managers—83% say their managers provide value and support to residents and the community as a whole. Of those who had interacted with their community manager, 88% said it was a positive experience.
- Residents appreciate the rules in place to preserve the nature and character of their communities—70% say their association rules protect and enhance property values; only 4% say the opposite is true.
- More than 80% of community association residents oppose additional regulation of community associations. This is a significant finding in light of the steady stream of state legislative proposals affecting common-interest communities, but not surprising considering many pieces of legislation are proposed based on one constituent’s grievance with his or her community.

The overwhelming majority of Americans who live in community associations say they are satisfied with their association experience. The community association concept works—for neighborhoods, municipalities, the U.S. housing market and the nearly 66 million Americans who choose to make their homes in common-interest communities.

Critics of community association living often ignore the practical benefits of associations, focusing their attention on issues that garner media attention, such as disputes over fences, landscaping, flagpoles and yard signs. The reasons for the continued growth of associations—and the value and benefits provided by these homeowner-governed communities—are either ignored or misunderstood.

We know issues arise between individual residents and their associations, but we’ve learned from independent national research that such disputes are relatively few in number and typically tangential to the actual operation and performance of community associations.

Still, some of these disagreements make their way into the media when disgruntled residents turn to news outlets to air their grievances, valid or not. In addition to unfairly tarnishing all associations, these anecdotal stories can lead to calls for legislation that would impose costs and burdens on community associations and their homeowners—the very homeowners who oppose further regulation.

How and Why Community Associations Work

Benefiting from Collective Management. Americans have largely accepted the collective management structure of common-interest communities. The private covenants and rules characteristic of associations are not novel in residential living. Similar restrictions often exist in rental apartment lease agreements and in zoning laws and building codes that govern traditional single-family, detached housing. In traditional housing, however, such restrictions are adopted and administered by municipal governments rather than by the private governing boards composed of homeowners who are elected by their neighbors to lead their associations.

Privatizing Public Functions. Because of the fiscal challenges faced by many municipalities, housing developments often are approved with the stipulation that associations will assume many responsibilities that traditionally fall to local and state governments. These obligations can include road maintenance, snow removal, trash pickup and stormwater management. This privatization of services allows municipalities to permit the continued development of needed housing without having to pay directly for that infrastructure through the tax base.

Expanding Affordable Homeownership. There has been a persistent effort to increase homeownership in America, especially in underserved groups, such as minorities, women and immigrants, and in specific locations, such as urban areas. Almost from their inception in the 1960s, condominiums have tended to serve as lower-cost housing, especially for first-time buyers. This was especially true of early condominium conversions, in which apartment buildings were refurbished into condominiums. Without the construction and operating efficiencies inherent in association development and operations, affordability would be an even greater problem.

Minimizing Costs and Foster Marketing Efficiencies. Community associations not only maintain home values but also reduce the need for government oversight. Associations avoid the “tragedy of the commons” (where no one is responsible) through mandatory membership and collective management. They also circumvent the “free rider” issue (where not all beneficiaries pay their share) through mandatory assessments and agreements between the association and the homeowners. Put simply, community associations are an efficient means of providing critical services, assigning payment responsibility and being responsive to local concerns.

Providing Amenities, Opportunities and Options. Many associations offer a diverse variety of services and amenities, from golf courses and marinas to equestrian facilities and fitness centers. Very few Americans can afford such benefits without the shared responsibility enabled by community associations. People who don’t want to contend with gutters and yard work can purchase homes in communities where these responsibilities are taken on by the associations. There are age-restricted communities, pet-free and pet-friendly communities, even communities with airstrips. Community associations give people options, alternatives, facilities and resources they could not otherwise enjoy.

Building a Sense of Community. We are, for better and worse, a highly transient society. Americans follow professional opportunities and other preferences from state to state. By their inherent nature, community associations bring people together, strengthen neighborhood bonds and promote a sense of community and belonging—attributes that are often overlooked. Many residents take advantage of community-sponsored activities, such as holiday events, social clubs, athletic and fitness activities, pool parties and more. These activities help residents get to know their neighbors and forge new, supportive friendships. Social opportunities exist even in smaller associations that don’t have the resources or critical mass to sponsor formal activities. Many Americans make enduring friendships by serving on association boards and committees and volunteering in other ways.

About CAI

With more than 33,000 members dedicated to building better communities, CAI works in partnership with 60 chapters, including a chapter in South Africa. CAI provides information, education and resources to community associations and the professionals who support them. CAI's mission is to inspire professionalism, effective leadership and responsible citizenship—ideals reflected in communities that are preferred places to call home. Visit www.caionline.org or call (888) 224-4321.

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The statistical information in this report was developed by Clifford "Cliff" J. Treese, president of Association Data, Inc., in Pleasanton, Calif. A member of CAI almost since its inception, Treese is a past president of CAI and the Foundation for Community Association Research. We are grateful for his continuing support of both organizations.