

# Do You Know the Difference Between a Neighborhood Association and a Homeowners Association?

**A Neighborhood Association** is a voluntary organization of residents who work together to improve and maintain the quality of life in its neighborhood. Neighborhood Associations can form out of concern over a particular issue or as a means of enhancing a sense of community.

## **Features of a Neighborhood Association:**

- Membership is open to all property owners, residents and businesses in the neighborhood, but participation is optional; boundaries are established by the association.
- Dues are voluntary.
- There is no legal authority to enact or enforce maintenance or design requirements beyond those established by City and/or County Ordinances.
- To ensure a visibly democratic process, the organization establishes formal or informal by-laws to provide for at least one general membership meeting per year and to require an annual election of officers.

**Homeowners Associations**, unlike neighborhood associations, are formal legal entities created to maintain common areas and enforce private deed restrictions. Most condominium and town house developments and some newer single-family subdivisions have homeowners associations which are usually created when the development is built.

## **Features of a Homeowners Association:**

- ✓ Membership is mandatory for all property owners within the boundaries of the development.
- ✓ Members are usually charged mandatory dues.
- ✓ Homeowners associations have the legal authority to enact and enforce maintenance and design standards in addition to those established by County ordinance.
- ✓ Homeowners associations are corporations with formal bylaws, which have a governing board that is elected annually.