

Foundation for Community Association Research

statistical review₂₀₁₂

For U.S. Homeowners Associations, Condominium
Communities and Housing Cooperatives

NATIONAL AND STATE DATA



323,600 total U.S. associations in 2012

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

This aggregate data combines the estimated numbers of residential condominiums, cooperatives and planned communities from a variety of public and private sources. This data collection effort is ongoing, and we welcome additional contributions for the number of residential associations at the local and state level. Certain state agencies collect such data, and some state organizations develop their own estimates.

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



50,000–55,000

Community association managers (includes active on-site and portfolio managers)

7,000–8,000

Community association management companies

95,000–100,000

Individuals employed by management companies

1,650,000

Community association board members

582,000

Community association committee members

65,300,000

Hours of service performed annually by board members

9,900,000

Hours of service performed annually by committee members

Facts about Community Association Living

An independent, national survey of community association residents conducted in February 2012 by Ibope Zogby International affirmed what we learned from similar national surveys in 2005, 2007 and 2009:

- 92% rate their community association experience as positive (70%) or neutral (22%).
- 88% say their elected governing boards strive to serve the best interests of the community.
- 81% say they get a “great” or “good” return on their association assessments.
- 76% say their association rules protect and enhance property values; only 3% say the opposite is true.

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 more than 63 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.

Of course, there are disputes in associations—between residents and their associations and among residents themselves—but they are relatively few in number and tangential to the actual operation and performance of community associations.

24% of U.S. homes are in community associations

Four Reasons for the Growth of Community Associations

The Value of Collective Management. Americans largely have accepted the collective management structure of community association 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 public bodies rather than by association boards composed of homeowners who are elected by their neighbors to govern communities.

Privatizing Public Functions. Because of the fiscal challenges faced by many local municipalities, communities are often created with the stipulation that the developer will create an association that will assume many responsibilities that traditionally belonged to local and state government (e.g., road maintenance, snow removal, trash pickup and storm water management). This privatization allows local jurisdictions to permit the continued development of needed housing without having to pay directly for that infrastructure through property taxes.

Expanding Affordable Homeownership. There has been a persistent effort to increase the percentage of homeowners in America. Almost from their inception in the 1960s, condominiums have tended to serve as lower-cost entry housing, especially for first-time buyers. This was especially true of early condominium conversions in which apartment buildings were refurbished into condominiums. In today's economic climate, achieving affordability is a perpetual challenge. Without the construction and operating efficiencies inherent in association development and operations, fewer Americans would be able to purchase homes.

Minimizing Social Costs and Fostering Market Efficiencies. Community associations not only maintain home values, but also reduce the need for government oversight and expenditures by providing services, assigning payment responsibility to homeowners and being responsive to local concerns.

\$1.6 billion

Total dollars of service provided (based on Bureau of Labor Statistics estimate of \$21.79 per hour for volunteer time)

\$4.237 trillion

Value of homes in community associations, Q4 2012

\$20+ billion

Dollars spent from accumulated 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

\$51 billion

Assessments collected from homeowners by associations in 2012



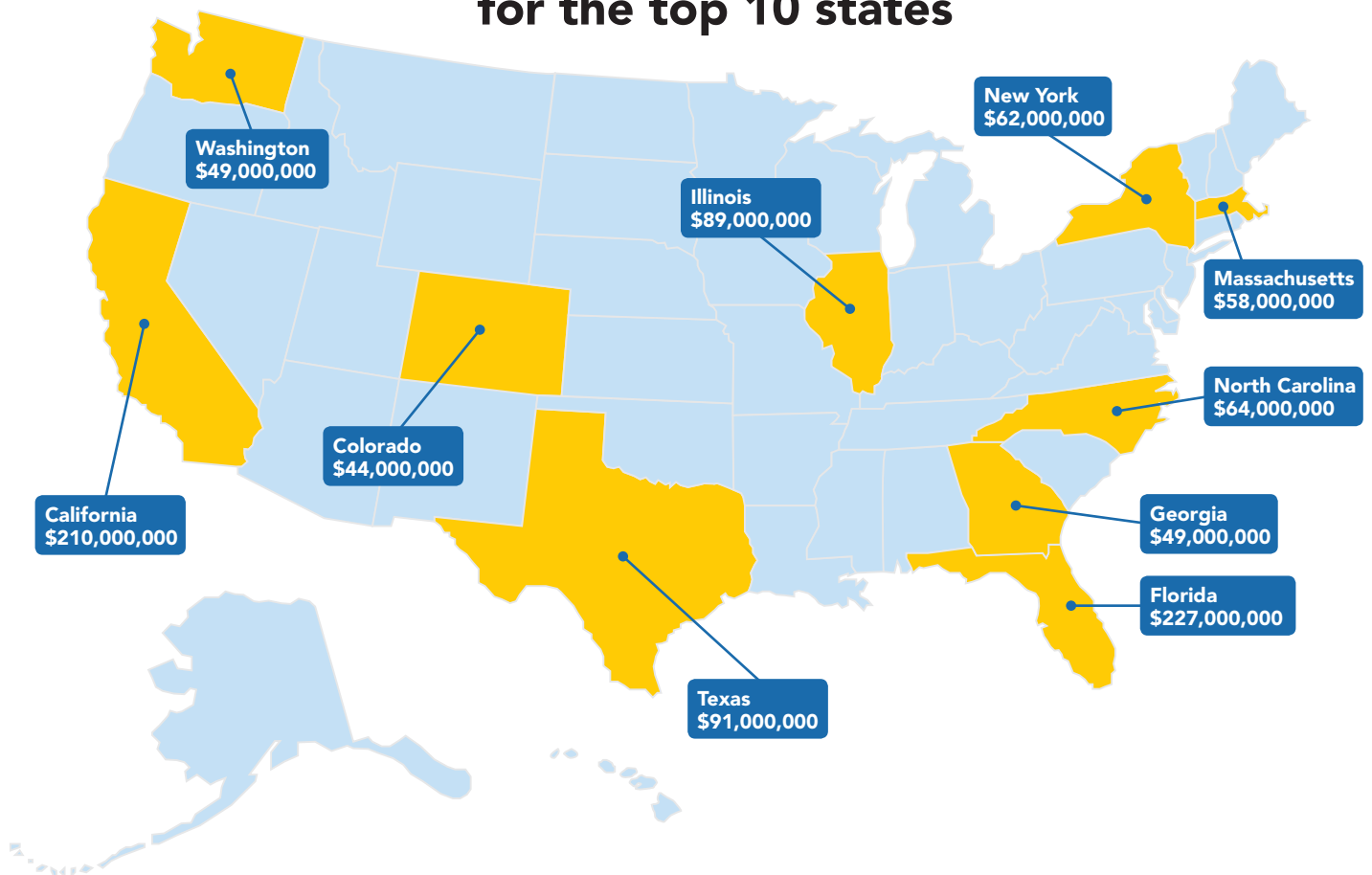
COMMUNITY ASSOCIATIONS, INDIVIDUAL HOUSING UNITS AND RESIDENTS

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

Homeowners associations account for about 50% of the 2012 totals, condominiums for 45–48% and cooperatives for 3–5%.

An estimated 30–40% of community associations 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.

Value of association board and committee time for the top 10 states



Foundation for Community Association Research

The Foundation provides authoritative research and analysis on community association trends, issues and operations. Our mission is to inspire successful and sustainable communities. We sponsor needs-driven research that informs and enlightens all community association stakeholders—community association residents, homeowner volunteer leaders, community managers and other professional service providers, legislators, regulators and the media. Our work is made possible by your tax-deductible contributions.

Your support is essential to our research. Visit www.cairf.org.

Sandra K. Denton, CMCA, LSM, PCAM, President, 2012–13

Debra Warren, CMCA, PCAM, President, 2013–14

Community Associations Institute

CAI, the Foundation's sister organization, is an international membership organization dedicated to building better communities. CAI and its more than 60 chapters provide education, tools and resources to the volunteers who govern communities and the professionals who support them. CAI's 32,000-plus members include community association volunteer leaders (homeowners), community managers, association management firms and other professionals who provide products and services to associations. CAI's vision is reflected in community associations that are preferred places to call home.

For membership or other information, call (888) 224-4321 (M–F, 9 a.m. to 6:30 p.m. ET), write cai-info@caionline.org or visit www.caionline.org.

Acknowledgement

The information in this report was developed and provided by Clifford J. Treese, CIRMS, president of Association Data, Inc., in Pleasanton, Calif. A member of CAI almost since its inception, Treese is a past president of both CAI and the Foundation for Community Association Research. We express our gratitude for his invaluable contributions. He can be reached at clifford.treese@gmail.com.