

# COMMON INTEREST COMMUNITIES

*Homeowners Associations (HOAs), Planned Communities, Cooperatives, and Condominiums*

Planned communities, homeowners associations (HOAs), cooperatives, and condominiums are powerful tools that allow developers to simplify complex projects while providing owners with responsible management, valuable services, and a sense of community. However, if not properly structured from the outset, common interest communities can yield a number of complications for developers, unit owners, and community associations.

## DEVELOPERS

Creating a common interest community, such as a planned community, cooperative, or a condominium, requires that the developer comply with strict statutory and regulatory requirements governing these communities. We regularly work with developers in creating these communities and administering them throughout the development process. Our attorneys have experience in finding solutions to the complex problems that sometimes affect these projects.

When creating a new community, the developer must prepare a public offering statement for marketing the project. A set of governing documents, including a declaration, bylaws, and rules and regulations, must also be created. We have extensive experience creating these documents so that they not only comply with Pennsylvania law, but also meet the requirements of the Fannie Mae Selling Guide (which controls the sale of mortgages on the secondary market) and other applicable guidelines.

Some projects involve the conversion of an existing property that contains rental units. The governing laws have special provisions pertaining to those situations. We work with developers to ensure that they comply with those obligations.

After creating the community, a developer has certain obligations related to administration of the project and its ultimate completion. We partner with developers throughout the community's lifetime to ensure they discharge their obligations and are able to walk away from the project without liability.

In the event of warranty claims, we work with developers to resolve those claims in an expeditious and cost-effective manner.

## COMMUNITY ASSOCIATIONS

We work with community associations for planned communities, cooperatives, and condominiums. We help interpret and, when necessary, amend and rewrite community governing documents. We also guide associations through complex issues regarding warranties, repairs, reserves, and maintenance obligations.

Being tasked with enforcing community rules can result in disputes between homeowners and associations. We assist our community association clients in enforcing covenants, conditions, and restrictions (CCRs). We also handle community member disputes, property management issues, and governance within the Board of Directors.

With the passage of Act 17 of 2018, associations can offer arbitration or mediation options to resolve unit owner disputes. Our attorneys are well-versed in alternative dispute resolution (ADR) and can act as either counsel or mediators in these matters.