

# *Guide to Choosing a Community Management Company*

An ebook from Comsource Management



Whether you're an HOA or condo association board member, hiring a community association management company can be a great decision for your neighborhood and community -- if you hire the right one. Here's what you should know when choosing an association management company for your community.

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## ***What Is A Community Management Company?***

A community management company, also known as an HOA/condo management company or property management company, manages common property and services of condominiums, high rises, and planned single-family communities through their homeowners or condo associations.

Two-thirds of HOA-governed communities are run by professional property management firms like Comsource.

### ***Community management services offered by a property management company:***

Full-service community management companies serve condominiums and HOAs, managing the day-to-day needs of each property. Staff is committed to working with board members and homeowners to create a positive environment, to preserve property values and to maintain a pleasing aesthetic appearance in all of their communities.

You should seek out and hire a management company that's capable of skillfully handling administrative, facility, and financial services. For more information on what to look for, here's our quick breakdown for each service:

## ***Administrative Services***

When it comes to the day-to-day operations of your community, it's best to find a management company that's going to offer a wide range of community administrative services to keep daily functions running smoothly. These should include the following:

- Management reports
- Financial management and reporting
- Contract and insurance administration
- Property inspections
- On-site staff hiring, training, and supervising
- Rule enforcement
- 24-hour emergency service
- Owners database maintenance

## ***Facility Services***

Maintaining common property, like a community pool, park, clubhouse, and sport courts and fields, is no easy feat in any community. Hire the best company to take care of communal areas as defined by the governing documents, including the Declaration of Covenants, Conditions & Restrictions; HOA articles and bylaws; and any separate rules.

## *Financial Services*

A sense of trust should be established when hiring a community management service to handle your finances. When looking for a reliable company, find one that offers a variety of financial and budgetary services, such as the following:

- Community financial management
- Collection and assessment of association dues and delinquent accounts
- Management of association funds in an operating account, which is used for everyday functions like contracted service, insurance, taxes, utilities, office expenses, and accounting and legal fees
- Management of funds in an interest-bearing reserve account, which is used for large-scale, replacement reserve projects like landscaping renovations, sidewalk construction, and common building roof replacement
- Accurate monthly statements
- Budgeting
- Knowledgeable recommendations to the association board regarding major expenditures and special assessments

A knowledgeable staff should be committed to positively communicating with the board (and implementing their policies, not creating them) and occupants to create a harmonious environment, preserve property values, and maintain an aesthetically pleasing appearance for residents and guests.



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## ***5 Subtle Signs You Need Community Association Management***

You've already thought of a few reasons why your HOA or condo association needs some help, but here are the top five subtle signs that may indicate you need assistance from a community management company.

### ***1. Your board's volunteer (or elected) homeowners don't have the time or experience necessary to serve on your board.***

Similar to you, they're busy with careers and time constraints yet value the importance of the community.

### ***2. Your board is already responsible for managing a variety of big responsibilities.***

These may include complex building systems, seasonal amenities, multiple homes or condominiums, and common area facilities. They complain about being responsible for smaller tasks as well.

### ***3. Your board has time-consuming daily schedules.***

Your board may be busy with little tasks that involve regular membership and homeowner communication, community event planning, routine billing, and rule enforcement. Most community management companies take care of the following:

- Adhering to your community's Covenants, Conditions & Restrictions
- [Billing and processing](#) monthly HOA or condo community fees
- Maintaining tax, legal, insurance, and mortgage records
- Performing necessary interior and exterior maintenance, or hiring and organizing quality contractors for the job
- Handling neighbor disputes

### ***4. Your association doesn't have good relationships with vendors and contractors.***

...if any at all. This makes event planning and repairs difficult and costly.

### ***5. Your board doesn't like confrontation.***

A [few key personality traits](#) are required to be on the board, including honesty and fairness, but many people have a hard time dealing with uncomfortable situations. This includes late HOA fee collection and neighbor disputes.



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## ***How Can A Community Management Company Help You Manage HOA Operations?***

Maybe you volunteer on or were elected to the board of your community's [homeowners association](#). Maybe you own a set of condominiums or commercial property. Whichever situation you find yourself in, hiring a property management company to take care of community living services can be a huge help to your operations.

***Being a member of an HOA or condo board is easy. Managing your community is hard.***

The majority of board members agree that it's a round-the-clock job. Whether it's being on-call in case a pipe bursts or the Internet goes out, the tasks of board members aren't limited to collecting rent and towing unfamiliar cars. If this sounds like a lot on your plate, here are a few ways community management companies can help you:



**1. Property management companies know how to handle communities of all shapes and sizes.** Having a large homeowners association-regulated neighborhood or a condominium community can be overwhelming and stressful. You may be more likely to maximize your benefits and investment by hiring a property management company. The [right company](#) takes the time to work with you to get to know your unique community and how to manage it properly.

**2. They handle day-to-day tasks.** Most board members have day jobs while some would rather handle only daily business operations. If you fall into either of these categories, we suggest hiring a property management organization. Most companies will take care of the following:

- Checking credit reports and histories
- [Billing and processing](#) monthly dues
- Maintaining tax, legal, insurance, and mortgage records
- Performing necessary interior and exterior maintenance, or hiring and organizing quality contractors for the jobs
- Completing regular inspections
- Handling owner complaints

**3. They provide reliable service when it's needed.** Local management companies are a great option if you don't have free time. They handle late-night complaints, are more hands-on, and offer immediate assistance.

**4. They know how to manage.** Many people volunteer to be on a condo or HOA board because they want to be involved in the community, make decisions, and know what's going on – and there's nothing wrong with that. However, a lot of these individuals don't know how to properly manage all

facets of a community. Trust a community management company to help handle administrative, facility, and [financial services](#) for your community.

**5. Community management companies have connections.** Property managers know the best of the best when it comes to contractors. By hiring an experienced property management company, you have access to highly reviewed and fairly priced plumbing and HVAC experts, home inspectors, and service providers. This saves you money and time when it comes to maintenance, renovations, utilities, and more.

**6. It's their job to know the laws.** One of the responsibilities of a property management organization is to file tax, legal, insurance, and mortgage records. This is because they have the experience with and knowledge of state and federal law to handle those documents. They also help your board by avoiding breaking discrimination laws and property damage suits.

Hiring a property manager or a company is about efficiency and doing what's best for the community. Many board members could manage their community's issues and build positive relationships with neighbors, but they may not have the experience, means, or time to do so.

## ***How Do Community Managers Work With The HOA or Condo Board of Directors?***

Community managers implement the elected Board of Directors' decisions. They assist the board and community association, and it's part of their responsibility to administer services, programs, and operations within the policies and guidelines set by the board. The two are meant to work together to create a harmonious environment for residents.

A fine line exists between the community responsibilities of an HOA or

condo management company and the board. A few parts of a community that the former should handle only with the help of the board include the following:

- **Anything in the CC&Rs.** The Board of Directors should still take responsibility for anything reserved to the board in the governing documents. That means anything legislative like the adoption of rules, architectural review board guidelines, and policies and procedures.
- **Condo or HOA [budgeting](#) and the annual audit.** A community management company shouldn't sign checks on behalf of the association, especially over a certain limit. An annual audit, which is recommended for every organization, should be performed by an independent certified public accountant with the help of the board.
- **Late fees and other violations.** While HOA and condo management companies should collect dues, the process to waive late fees or parking violations for residents should require the board's approval.
- **Architectural modifications.** While an HOA or condo manager oversees the progress of a new flowerbed or parking lot refurbishment, any major aesthetic change to a community should be approved by the homeowners association.
- **Vendors.** Managers may solicit, review, and present the quality of bids to the Board for final decision. Hiring and terminating vendors should also require the board's approval.
- **Insurance.** The board can delegate a manager to execute the [request for proposal](#) process in regards to insurance, but the final decision should be made by the board.
- **Liens.** A lien is a right to keep possession of property belonging to another person until a debt owed by that person is discharged.

Because this is a serious consequence, the board should have a strict policy. However, some boards might allow their managers to handle notice letters and the initiation of legal action.

To learn more about how Comsource can help manage your community, click [here](#).



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## ***What To Look For When Researching Community Management Services***

Not all condo or HOA management companies are created equal. When assessing multiple property management companies, the qualities start to muddle together, but it's important to separate the good from the great. The good will manage your property, while the great will go above and beyond.

To find the best association management for your community, take a look at Comsource's key questions to ask during the hiring search:

**How many units are they used to managing?** A trained property manager has the [right tools](#) and proven processes to manage the appropriate number of units, based on their comfortability level and experience.

- **What services are included?** If a property management company specializes in services that match your needs, look into investing in their business.
- **Does the company and its property managers hold strong designations and accreditations?** Partnering with a property management firm that holds the proper certifications and industry accreditations ensures the highest level of service and up-to-date skill sets. A firm that continually strives to improve performance and develop its employees is a strong sign they can do the job effectively.
- **Do they communicate effectively?** Whether it's a hands-on or long-distance property manager, effective communication is critical. Knowing who's occupying your space, how your property is being maintained, and other common inquiries should be answered in a timely manner and with enough detail.
- **Do they provide monthly reports?** The best property management companies provide reports to the property owners each month.
- **What do the referrals say?** Referrals, testimonials, and online reviews all account for something when looking for the best community management companies. Speak to real estate agents, investors, former and current tenants, and other relevant sources to build a solid list of worthy companies. Visit the [Better Business Bureau](#) to see if a company has any outstanding complaints filed against them.

- **How often do they conduct formal property inspections?** Some property management companies charge extra for routine check-ups on properties. However, those that include the service in their basic contract terms are the best bet.
- **What is included in their contract?** Closely look at the terms and conditions in the contract. This could be the deciding factor between two or three businesses.

These seven questions should non't represent the end-all, be-all for deciding between a handful of respectable property management companies, but they a're a good starting point. When determining which business will works best for your residential or commercial property, think about what you want for the future of your community. If these goals align with the company's services, then you ha've found a match.

[Contact Comsource](#)





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## *Why Comsource?*

Comsource is a full service community management company in the Mid Atlantic Region that can help your HOA or condo community improve performance and preserve the quality lifestyle your residents have come to expect. We offer the strength of expertise and experience combined with a passion for quality and customer care through a humanized, caring customer experience.

**[Learn more about the Comsource difference.](#)**

### *Our Services*

- [Condo management](#)
- [HOA management](#)
- [Commercial condominium management](#)
- [Financial management](#)
- [General maintenance and contract services](#)
- [Developer transitions](#)

## 4 Reasons To Pick Comsource For Your Homeowners Association

1. We have deep experience and extensive resources.
2. We're willing to go the extra mile.
3. We're financial management experts.
4. We have the highest standards of integrity and transparency.

***REQUEST A BID***



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