

WELCOME LETTERS TO NEW OWNERS

After hearing from a student in one of my pre-licensing classes that one of the real estate pre-licensing schools in town teaches students how to hide the fact that there is an HOA to make the sale, I thought about how important Welcome Packages and/or Welcome Letters are in Nevada.

Having moved several times, the move alone can be stressful and quite expensive. If I had not lived in an association previously, looking at the mountain of documents I was given in escrow would be the last thing I would want to do.

Wouldn't your association rather have your first communication with the new owner be one providing them with critical information vs. a violation letter? That first letter is going to leave a huge first impression on that owner. The welcome letter should start out the relationship with the HOA and the owner on a positive note vs. appearing to be a threat to their having found their wonderful place to live now.

Having received the violation letter, you call the number on the letter and talk with the Community Manager who informs you about the rule as well as many others that you honestly didn't know about. The Manager asks if you have read the CC&R's and bylaws, and though you might have had every intention of doing so, there had not been time with all the other issues that come with moving. At times, if the manager is having a bad day, the communication may not be all that friendly either.

Living in and becoming a member of a HOA can be daunting if you have never lived in one before. It appears to have so many rules, regulations, architectural guidelines, application processes, fees, amenities, maintenance standards, and more that need to be understood by every member, regardless of the amount of time they have resided in the community. A tremendous do's and do not's for a new owner who has never experienced living in an association.

Think about the trouble we all could save if they had received a welcome letter first. This should act as a general greeting from an association representative. It typically contains vital information on contact information, assessments amounts, frequency and payment remittance instruction and direct owners to any website for more information.

Below is a list of things that the welcome letter could contain with a reminder that if they didn't receive them in escrow for some reason, they can get them from the association. It is not all inclusive, but could be a good start:

- I. Welcome letter itself. This should act as a general greeting from the Association which should contain vital information on contact information, assessment amounts, frequency and payment remittance instruction, and direct them to the Association's website for more information. The letter should also give them the recommendation to read the documents that they were given in escrow to understand their duties and responsibilities to be happy in this community.

II. Spreadsheet listing all of the rules and regulations that were attached to their escrow papers. This does not have all the details, but rather a reminder of what was in the resale package.

III. A brief document showing the makeup of the board, its directors as well as existing committee. This can go a long way in making an owner feel like the governing bodies of the association are transparent and open. Part of this could also include who to contact in the event an owner is interested in getting involved.

IV. Amenity information which outlines the operational hours, reservation system, rules and other pertinent information should be included. This actually helps a new owner understand where a large part of their assessments are going and how to utilize the facilities. Where to get keys, et.

V. A form for the new owner to fill out to send in contact information urging the new owner to complete the form and return as soon as possible. As many associations are using electronic communication, having them fill out a form allowing the association to communicate with them when appropriate electronically will help speed up that system.

VI. Here are some other good issues to consider and provide.

- A. Contact numbers for any municipality departments that the owner may need such as water and other utilities.
- B. Knowing the date and usual time of garbage pickup is helpful along with required moving of the trash cans back into a closed area can save lots of headaches.
- C. Are the owners responsible for any deductible on any insurance claims? This will help a new owner to talk with their insurance carrier to see if they can cover these gaps should a claim arise.
- D. Should the developer have caused each owner to pay into a special improvement district or other type of tax, giving them the information proactively will save the association the headache of explaining that it is not an association issue once they get hit with these types of charges.
- E. What if vital information they need for snow removal/landscaping/irrigation if these are involved with this association.

Some associations have appointed a hospitality committee to make owners feel welcome by dropping off a personalized welcome letter, bottle of wine and gift card from a local small business. This should be done in addition to the welcome packet sent by management.

Taking these simple steps will ensure that new owners will feel less stressed about having to read recorded governing documents and may help guide them to do so to get more information. They will also feel like they have made the right choice in places to live and are part of a friendly community, not just a rigid, rules and assessment focused machine.