

CONDO LIVING REPORT

Fort Lauderdale, Florida, 2007

Introduction

In December-February 2006, a survey was conducted from the website www.floridacondomediation.com, asking visitors in their character of condo owners about the level of satisfaction they had with their respective board of directors. The underlying purpose of the survey was to isolate specific conflicts between the owners and their board administrators, with the intention of addressing those conflicts through a future process of mediation.

It looks like the offering of an open space where to express some opinions about condo life was long overdue. Respondents were enthusiastically tackling the answers, expressing in strong words the pent up emotions that community life brings with it. In this vein, some answers were not included in the examples quoted here.

Community life in Florida is a serious challenge that can produce extreme frustration to new owners. We discovered with this survey only a small piece of the general condo living picture in Florida, and it doesn't look good. There is a lot of work to be done to develop and follow shared living rules, reciprocal respect and mutual care of property and livelihoods.

The online survey

This survey was offered online, in a time frame of three months, from the site floridacondomediation.com. No promotion, publicity or advertisement was done to promote this survey, assuring that respondents were so motivated that they did a search online, found the site, navigated through its pages and found the survey. The respondents, who signed up with their own email address, were asked five questions. Some responded with a one word answer, while others, particularly those with complaints, chose to further elaborate in their answers.

Due to the abundance of responses and the fact that they are from independent, self-selected sources, we will go through each survey question and evaluate patterns, similarities in opinion, pervasive sentiments, and so forth, but will refrain from making conclusions about the ethics or performance of condominium board of directors in general.

Again, the purpose of this survey is not to evaluate the performance of various boards of directors in the state of Florida, but to give voice to problems and dissatisfaction, from the point of view of the owners. This is a necessary conversation between all involved in community living that needs to get started somehow, in order to develop first solutions to confrontations and later promote more cooperative decision-making in condominiums.

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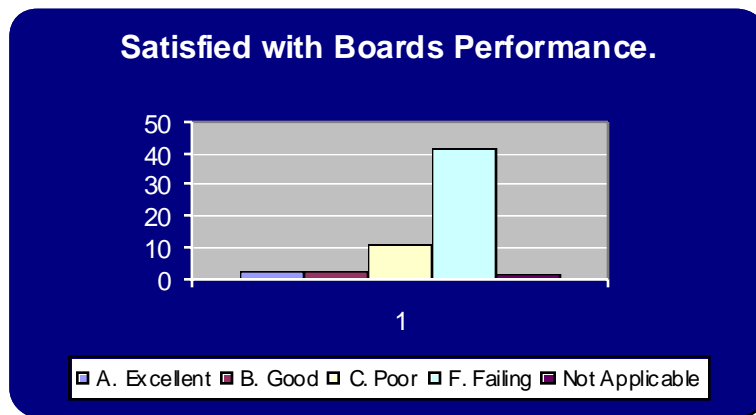
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Question 1 (62 responses)

How satisfied are you with condo life, especially related to your condo board’s administrative performance?

There were 62 responses to this question. The surveyed were invited to rate their condo life in general, and administrative board on an A to F scale. Among these, 41 gave an “F” or below. Eleven of the owners responded with a “C,” “D,” “poor”, or “very poor.” Three gave a “B” or “good to fair,” and three gave an “A” or Excellent. Two responders wrote, “Not applicable.”

Table 1.0



Because this survey is addressing condo conflicts and their potential for resolution through mediation, we will focus on the condo owners’ dissatisfactions with the performance of their board of directors. In terms of administrative performance, there appears to be a trend of poor, ineffective communication between the condo owners and their board representatives.

Beyond rude or controlling behavior, there is indication of practices of intimidation and power-hoarding as well.

The following comments reflect this aspect:

“The board of directors is nothing more than a cabal that runs a gulag...”

“F- A result of pitifully little communication.”

“They are self serving and selfish. They are carried away with their own power....the President would never let you bring up anything unless he was in favor of the issue.”

“Board members do not have enough knowledge or sometimes common sense to deal with everyday problems.” (we will interpret this to mean knowledge of community issues/problems/needs)

“They are inefficient and ineffective in maintaining homeowners’ and association property...they try to intimidate homeowners who voice complaints... ignore the needs and wants of homeowners and vote according to their own biases.”

“...an air of dictatorship about the whole process.”

“I rate our condo board on the whole as an absolute F for FAILURE. Any meetings involving homeowners is a circus. There is always plenty of yelling, arguing, and an air of dictatorship about the whole process.”

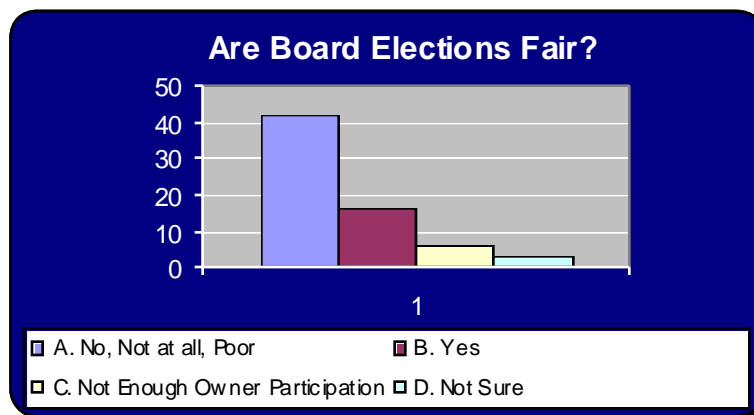
In general, self-selected respondents had an axe to grind. They were upset and unhappy with their living condo situation, and their non satisfaction shows in a very loud way. We will see if they can focus on the specific aspects of condo living that are frustrating them.

Question 2 (65 responses)

Do you consider the process of electing condo board members as it is now, as fair?

65 individuals responded to question 2. The common choice of response was a “yes” or “no.” Among these, 42 responded with “no,” “not at all”, “unfair,” “poor,” or otherwise elaborated examples of unfairness, corruption, lack of democracy, and secrecy in the election process of board administrators and posterior condo management.

Table 2.0: Are Board Elections Fair?



After the initial general evaluation of the fairness present or not in the process of board election, some general problems were identified. Board elections are a contentious issue, but part and parcel of condo living.

A classical issue is the connection between having enough candidates for the board election, thus assuring better choices for voters, based on owners’ responsibility for their own institutions. Some people, who complain about having the same Board members for years, are the same ones acknowledging that they themselves are not willing to run.

Five responses brought this issue up: not enough homeowners were running for positions on the board; so defining the problem as limited participation and lack of compliance in attending the required meetings.

There seems to be another problem once owners are board selected, because a majority of the responders cited the board itself as the problem, whether or not there was enough homeowner involvement in board meetings, voting, etc. There seems to be a growing disconnection between board members and the owners they are supposed to represent.

Development of an oppositional perception of the divide between “us” and “them” generates a dynamics that is fertile ground for condo conflicts. Perhaps group dynamics or “group think” takes over the Board, and so making them lose contact with the rest of owners they are supposed to

represent. From this opposition emerges a package of negative perceptions and bad faith that fuels even more the day to day shared living disputes.

Some other problems listed are connected with this dilemma of boards being perceived as perpetuating themselves in power, isolated from the association owners. The lack of term limits and little to no competition in the election process are related concerns that blur and devalue the Board democratic process of condo management. Here is the list of complaints that respondents expressed:

Table 2.1: Common Homeowner Complaints on Board Elections:

Board Members’/President’s Terms Too Long	5
Secret Elections/ Lack of Competition/ Corrupt Election Process	16
Secrecy about Board management issues	2
Owners prevented from Running for Board, using aggression	2
In need of Independent Audit/supervision	3

A major power imbalance is implied among these responses—one in which homeowners express a striking absence of democracy or fair inclusion in the election process. Comments below provide examples:

“The election process in this Association is completely corrupt and has been because of the fact that the same people are always running with the same positions every two years so that no one else may be elected.”

“The process would be fairer with term limits.”

“We were advised by our president that there were three openings but no one need applied for them; she had all 3 spots covered...she never had anyone for the 3 openings—she went out and recruited her friends—and we were never advised that positions were opened...”

“It is a closed system, controlled by a group of owners, who then stack the deck in their own favor, to perpetuate their own power.”

“A serious lack of supervision over the ballots exists.”

“These people appointed themselves. There was no quorum for voting.”

“They usually ascribe negative motivations to homeowners running against them.”

On the contrary, some comments placed fault on homeowners for their own limited involvement in board meetings:

“But not enough home owners are willing to participate. So we get what we deserve.”

“Not enough effort goes into elections and motivating people to serve.”

“Meetings’ are such a joke, no one shows up for them or takes an interest, including me.”

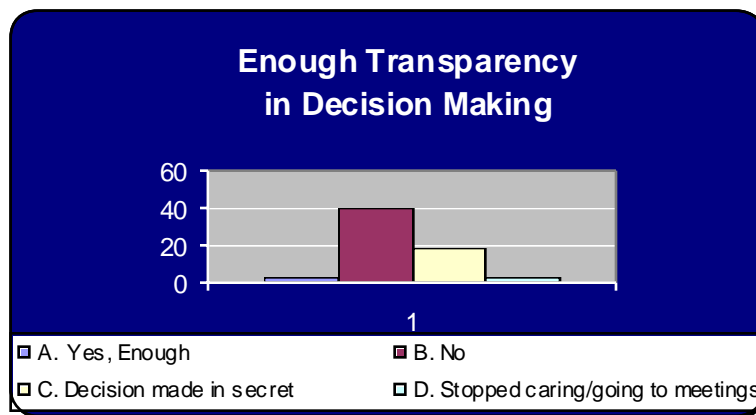
Probably the central theme here is the lack of direct supervision of the board management, which makes respondents feel helpless. This negative perception is making undesirable to apply and be selected to be a board member, so demoralizing future voluntary participation in condo management boards. What could be the appropriate motivation for owners to decide in making an effort and run to correct the same mistakes they complain about?

Question 3 (52 responses)

Is there enough transparency in your condo board’s decision-making process?

52 people responded to this survey question. Most people responded here with a “yes”, “no”, “enough,” and/or elaboration. Three persons cited that there was “enough” transparency; 41 said that there was not enough transparency; 19 said that decisions were made by the board either in secret, without homeowner input, without prior voting, or in a poorly communicated manner. Three wrote that members either stopped caring or stopped going to meetings as a result of the board’s monopolization of power.

Table 3.0: Enough Transparency in Board’s Decision-Making Process?



Here the main issues are homeowners feeling blocked from proposing ideas, being unaware of issues on the board’s platform, and having feelings of exclusion from the voting process. The board’s communication skills, once again, are cited as poor or ineffective. The wording of Question 3 is apropos to the majority of its answers: many homeowners feel that the “condo board’s decision-making process” is a separate function independent of their own opinions and decisions about issues.

“There is no communication.”

“They [the board] asked for a vote to approve the change, and they disregarded the vote of the membership. Now they can’t get a vote approved for anything they need. The membership doesn’t trust them anymore. So they have meetings during the summer months when no one is around and pass whatever agenda they can.”

“Everything is decided in ‘e-mail meeting’ with only a few involved...”

“...If they hear something they do not like they say, meeting is over!”

“The unit owners do not get to speak- unless we submit our questions a few days in advance.”

“They never, ever announce any board meeting...I was even told that I should not be in the board because they have ‘in promptu’ meetings that I won’t be able to attend because I work.”

“There is no agenda, no packages of information for each board member, no manager’s report, etc.”

“The only thing that seems transparent is the board has already made up its mind and passes laws, bylaws or changes to laws and it really doesn’t matter what people that live here think.”

The perception of lack of transparency in board administration is a serious flaw, which hinders and limits the board’s ability to perform efficiently. Its most damaging aspect is the demoralization and growing lack of trust of owners, which can get finally used to secret dealings and accept that as the norm, now and in the future. It would be very damaging to owners’ rights the abandonment of the expectation of transparency in the management of the board.

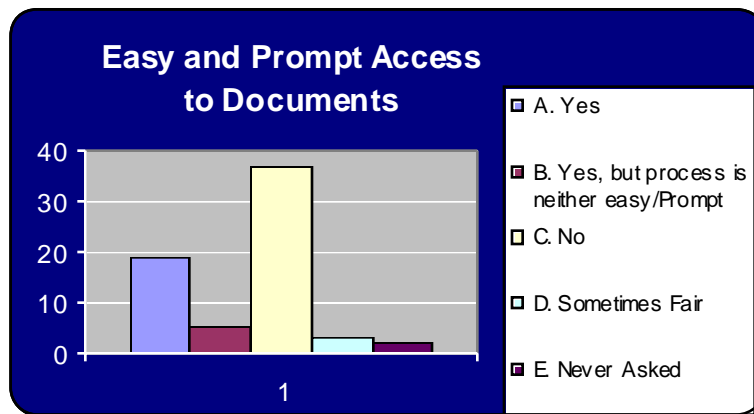
Question 4 (65 Responses)

Do you have easy and prompt access to all official condo documents?

The complaints frequently mentioned were varied and specific to each participant. Many owners found it a strenuous process to obtain condo documents, either because the documents are not kept on site, the board refuses disclosure, or official letters are required by the board in advance.

Numerous participants cited that their requests and complaints were ignored as well. The main issue is that these documents are not easily accessible to a large population of condo owners, and protocol for document disclosure has definite need for improvement and greater cooperation on the part of board members. This concern gets reflected in a general suspicion of lack of transparency in board dealings.

Table 4.0: Easy & Prompt Access to Official Condo Documents?



The complaints frequently mentioned were varied and specific to each participant’s association history. Regardless of that, several general themes are present: as much as owners assert their right to the common information, the more they are considered a nuisance, or perceived as attempting to control the board, and power battles ensue; everybody’s lives get more difficult.

The absence of practices directed to generate trust in the association population has a dire effect in condo life quality, as owners find themselves in a daily battle for their rights. This is a wide open field where the lack of good practices on information sharing between owners and boards produces hostility, mistrust and can escalate into legal battles. Direct quotations best express common complaints.

"These people make sure that no one can have access to any other documentation unless you go ahead and have to sue them."

"No they will not respond to my requests."

"If you begin requesting them you automatically become a target and are classified as a disgruntled unit owner, and you can get an attorney's letter....IF WE BEGIN TO LIMIT THE ATTORNEYS' POWERS CONDO LIFE WOULD BE A PLEASURE. THE CONDO ATTORNEYS ARE AT THE CORE OF ALL THE PROBLEMS IN CONDO LIFE!"

"Most records are NOT kept in our office onsite. Most contracts are unavailable, even to directors."

"Yes, but first I had to file numerous complaints with DBPR and retain an attorney."

"Minutes are not taken as condo meetings are held and they make it as difficult as possible to obtain other records."

"No, they will not disclose any financial records."

"When documents have been asked for, we are usually told that we don't need to view them as it is not necessary for the proceedings or they come up with another excuse and never produce them."

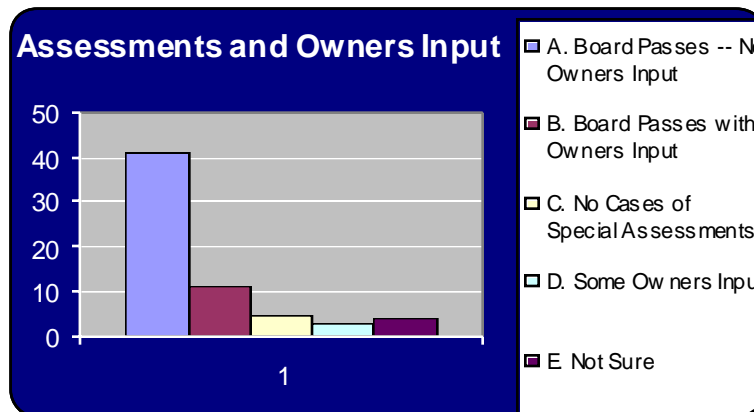
"It requires a certified letter to get an appointment."

Question 5 (63 responses)

Are special assessments (extra payments due to unexpected expenses) convened upon with input from the majority of owners?

The answers to this question were not always clear when participants did not elaborate beyond a "yes" or "no" answer. Many wrote "no," meaning that they were not informed, or owners were not convened prior to passing the assessments. Others wrote "yes" to express the same thing. This caused confusion when analyzing responses; nonetheless the trend of home-owners exclusion from the decision-making process appeared once again.

Table 5.0: Passing Special Assessments With or Without Owner Input



A common complaint concerning special assessments was that the boards make decisions privately, decide expenditures, and only later discuss changes with owners.

NO, NO, NO, NO, NO!!! They are usually put upon us because the board has already voted to do so.

"Owners are not notified of meetings; therefore, they have no input. All of a sudden you get something saying you are being assessed x-amount of dollars. Week before last there was a meeting. No quorum to conduct business. No notification to owners, no minutes provided of previous meeting. Advised they do not give minutes to owners. Told they needed to either have another assessment or get a line of credit. This was not voted on, but I'll bet they come up with another assessment."

"Once again, the board decides, and then discusses it with owners. We are lucky in our complex because the financial decisions do have good basis."

"We just had a special assessment of \$1200 and it was done at lightning speed, with input only from those that are here at the condo. Those out of town did not have opportunity to voice their opinion. It was because of the hurricane but not an emergency type of repair."

"No, they are imposed by a simple vote of the board without advance notice to the community"

"NO they are not! They decided on a project for the hallways in 2004 and when all of us found out, it was already decided on. Like I said before, we (the owners) never have an input in when and how and from whom the contracts will be awarded. Most of the time every contractor is either French Canadian or have ties to an owned French Canadian company".

"Input from owners is NOT allowed on any issue. When we had meetings (we now only have the required annual meeting) any comments or questions from owners were met with "sit down and shut up". This is not a low end building — selling prices are \$550,000 and up."

"No. We are told after the fact and after decisions are made."

"There are no inputs allowed from the majority of the owners here at this condominium. They go ahead and spend money without telling anyone and then go ahead and surprise us all with their idea of the expenses. All of it is under the guidance of the property manager who in most of our opinions is a criminal. Only her pet companies are allowed to do business with this condominium complex."

"Not at all. Just was charged 900 dollars for new door. I asked for the specs, because I want to check their pricing and will not provide."

"NO! We just went through a Special Assessment. We voted it down twice then the Board held a third election and declared that we did not need the 2/3 majority!"

All special assessments were brought on by the developers' failure to build to city and state codes. That is why we need a PERFORMANCE WARRANTY BOND for developers!

NO. Hurricane Katrina (9.05) was a fine example. First they had a Pizza Party, for just about anyone, e.g., non-owners, renters, vagrants, etc., then we - the owners - were charged a \$100/assessment for picking up the debris from Katrina. Now it's 01.06 and we're waiting to hear word on the assessment charges for Wilma.

The board's delayed for more than two years to replace two roofs, where funding was in place already. Having not acted, this cost has tripled in price since hurricane Wilma. Now most of the unsuspecting unit owners will find out this year they are almost \$400,000.00 in the red, and another large assessment will be coming. Why? Our former President delayed any major projects for more than two years. He was the most incompetent President we ever had, it is all a popularity contest now. The competent people do not want to become directors. Plus the fact his actions have turned many unit owners into thinking of opting out of the consolidated budget system we entered into 6 years ago.

NEVER!!!! Condo Boards do as they wish and they will let it be known. Once again, they are backed up by the attorneys. (all capitals)

The issue of someone in the board deciding on expending your money in unplanned extras is very sensitive for the respondents. A lot of anger and negative emotions relate to the fact that others can spend your money without asking your permission, as this issue is perceived. Perhaps the issue is

again one of perceiving being trampled upon, and having little freedom to express your own opinion regarding how money will be spent.

Question 6 (66 responses)

Do you support the need for owners and board members to be more educated about laws, regulations, and bylaws concerning condos?

Table 6.0: Should Owners & Board Members Be More Educated About Condo Laws?

No	2
Yes, for Both	44
Yes, Emphasis on Owners	4
In Moderation	1
Yes, Emphasis on Board Members' Education & Accountability	8
Not sure	1
Know Laws Already/ More Action Beyond this Necessary	4
Board Members Know Laws and Do Not Adequately Follow Them	2

Although some participants' answers applied to more than one category, responses were tallied one time only according to the emphasis of the comment. The responses were overwhelmingly favored towards more education for both owners and board members, frequently citing lack of education as the source of most problems. The results of question 6 may hold the key to complaints and issues listed in the five previous questions, if those are also addressed.

We can conclude that the more educated the owners become, the more able they will be to assert their rights and challenge board member's illegal, inappropriate, or corrupt behavior.

"YES, YES, YES, YES, AND YES!"

"Yes, however my experience is that people don't want to get involved. What would help is to make board members more accountable for their actions. They should be required to become educated and then held accountable. If they knew that they could be fined personally, the corruption would stop."

"First of all the rules were written by a person trying to sell their product. The rules are antiquated and backward in a modern society. The rules were written by developers over 20 years ago who have no concept of the reality of today's lifestyles."

In reference to educating board members, it should be required that all board members be forced to take mandatory education classes so that people like me would not have to deal with the elderly attitudes."

"I believe that all owners should have at least a passing knowledge of what is contained in the documents. If an owner has a problem they should consult that section of the docs to see if they are on firm footing."

"YES. It seems that the owners need to be educated in order to keep pace with any deviances that may be construed upon them by their Board Of Directors."

"Yes, I believe the owners and especially board members should be more educated in discrimination issues mainly dealing with family and race. As they are volunteers they should be more responsible in actions that they take."

"This is a very important item. Our annual meeting is next month, so I gave all the directors copies of the condo documents. None of them read the docs. None of the directors followed Roberts, Rules of Order or were interested in them. Mandatory education, please!"

"Very much so. Aside from contractors trying to gouge us for hurricane-related work, our biggest problem is the lack of any effective way to enforce regulations, such as conducting a business from a garage, and respecting the parking regulations."

"It is so vital to know what the condo laws and documents permit, require or give options. Especially the board members need to have some sort of required basic knowledge. A short condensed version of F.S. 718 should be mandated reading first 60 days in office."

"Absolutely! The board often acts as if they are not responsible to county, state, and federal laws. Most owners have never even heard of Chapter 720 2005."

"Yes. There are many of us that are rather fed up with our association but can't seem to do anything about it. We constantly run into brick walls, and have found that only SOME of the rules apply to present board members, and the rest of us just have to live by them."

"Education is a good idea...but since the Board is violating #718 repeatedly and knowledgeably without being taken to task...then education doesn't seem to be the total answer."

"Absolutely! Most of our board members don't understand our documents (or haven't read them since purchase, if at all.) Some are unaware of Fl St. 718 and the rights of all owners under those statutes."

Few Voices of Despair

Some of the most extreme responses reflected respondents' total rejection of community living. They either show lack of hope that the association situation could be improved or progressive anger at the perception of their rights being trampled with.

"I think this whole Association living is BS! Why can't I live my life without dictators and tyrants threatening me, bullying me and intimidating me? Tallahassee is "weak" when it comes to overseeing these guys! We have no recourse. Association living sucks big time!!!!

"These people know the laws, and they do whatever they want to anyway."

"In our case if I could just break through the thinking that they can do what ever they wish and if caught, just say -woops, we are sorry, we did not know,- I would be happy. They willingly break the law and in one case it is in violation of the fire code in the State of Florida per the Fire Marshall. If they do not like the law, no problem, they just ignore it."

"What laws! My life has been ruined due to twenty roof leaks and toxic mold and the Board ignored all reports from engineers and mold experts. There are no laws to protect the residents from their ignorance. I am in a law suit now but had to move, it is costing me all my retirement savings. What for? They get away with it because they can and feel they have insurance companies to back them up. The laws must be changed to protect the home owner and not the Board."

"Yes, that will be the only way that we can have some control in the way and quality of living in our condos as well as the administration of the money, which by the way I have to work hard to get."

"YES, but what is needed even more is condo lobbyists in Tallahassee who will address issues of condo-owners vs lobbyists from service providers, many of whom appear to be the fair-haired children of management companies." (all in capitals)

"YES, but oppressive and vexatious law suits are a problem."

"YES, I believe in mandatory education. Unfortunately the attorneys are against it...."

"I not only support it but I disseminate an underground newsletter by e-mail asking for the board to obtain

some knowledge of what could be called “generally accepted property management practices” as indicated in the 4 parts course the DPBR offered a couple of years ago.” (all in capitals)

This degree of dissatisfaction with community living is worrisome, because reflects an added stress that impinges upon the quality of life in Florida. For the few owners trapped in a frustrating living situation, this degree of daily conflict has to be somehow managed. Probably several solutions from different approaches could be proposed, either they be regulatory, educational or social. Whatever the origin of the relief, improving the degree of satisfaction of Florida home owners is long overdue.

Conclusion

In the answers to the six questions of this survey, respondents had the opportunity to share their perceptions on what is not working in their community housing situation. Even when this is a small sample and its results can not be extrapolated to the rest of the Florida condo population, it serves to get a glimpse of a worrisome situation. Condo owners don't trust this shared living experience to be a positive one, but see themselves acting with reduced freedom while confronting too many challenges to everyday normal life.

How and when these disagreements become open conflicts between condo owners and other owners; between condo owners and board members, and between owners and the regulatory entities of condominium and homeowners association, we can only guess. What is clear to see is that there is a lot of improvement to be done in the way the boards of directors, the owners and the lawyers deal with the shared situations they face.

Education, provision of information to all parties, feedback mechanisms and program evaluations are processes to be introduced between board administrators and condo owners as useful conflict prevention mechanisms. In the extreme cases where an open conflict demands time, money and effort to make things right, there is mediation as the fast, affordable and dignified solution to help parties deal with each other in a respectful and cooperative way.

Florida Condo Mediation offers support, skilled mediators and fast processes to help communities sustain a peaceful convivial community experience.

There is more information about fast, affordable solutions at:

<http://floridacondomediation.com/mediation.htm>

<http://floridacondomediation.com/resources.htm>

Thanks for your attention,

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Thank you for downloading this survey!

This survey is the first in a series of surveys that will be available at the website: FloridaCondoMediation.com. Look for it and be part of building a community focused on good condo living by providing your feedback.

About Florida Condo Mediation.com:

PURPOSES OF THIS PROFESSIONAL MEDIATION GROUP:

- To offer a place where the issue of conflict situations between Boards and owners, and between neighbors can be addressed and solved.
- To provide information y services about different methods for condo conflict resolution, such as facilitation and mediation.
- To educate both owners and Board members in interpersonal relationships and shared living under the rule of bylaws;
- To promote more healthy and supportive communities.

More Information:

http://floridacondomediation.com/conflict_resolution.htm

Interventions:

http://floridacondomediation.com/who_weare.htm

Trainings and presentations:

<http://floridacondomediation.com/speakers.htm>

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