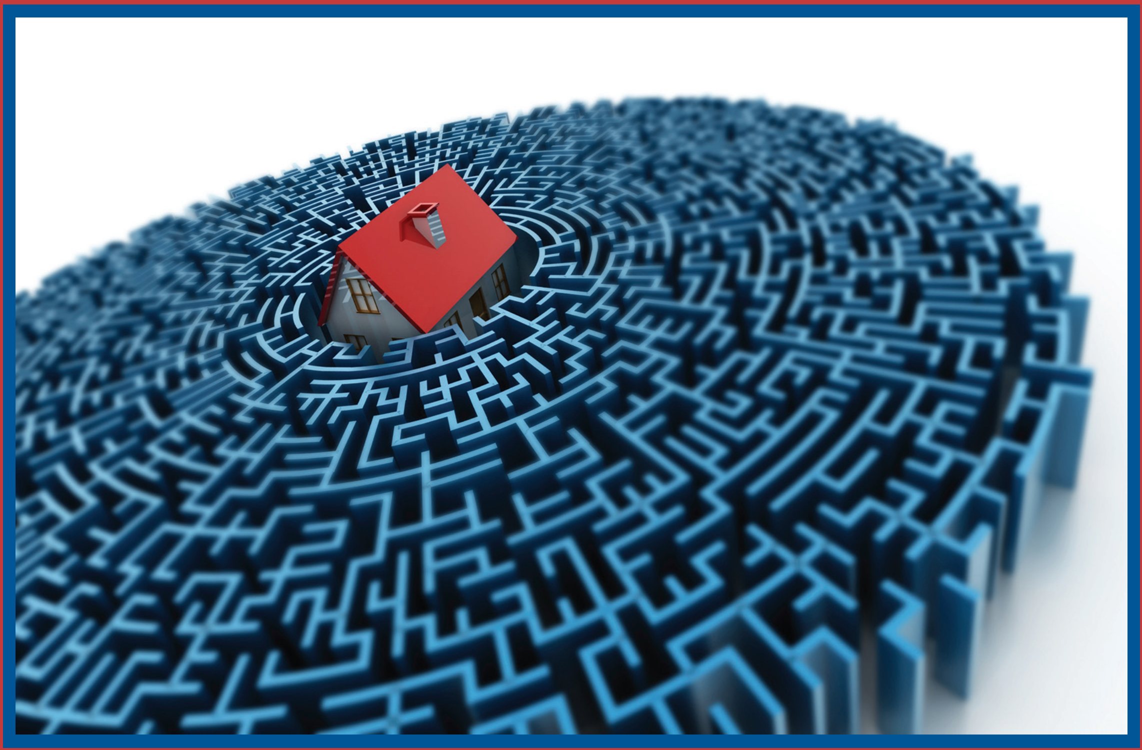
Community Association Insurance

A Guide for Condominium Association Boards



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CONTENTS

INTRODUCTION

Board members have many responsibilities but none are more important than the duty to preserve the value of association property and protect the interests of its owners.

This isn't a duty with a small 'd'. It is a fiduciary duty, which means board members have a legal obligation to obtain the insurance the community needs and face potential liability if the coverage falls short of what is required to repair damaged property or defend the association from suits filed against it.

Avoiding litigation isn't the only reason board members should think carefully about the association's insurance coverage, though it is a pretty good one. Protecting the association – ensuring its financial health and its long-term viability—is, or should be, their primary goal. And maintaining adequate insurance coverage is essential to achieving it.

Insurance has been described as a maze, and with good reason. The terminology is unfamiliar, the issues are complex, and the decision-making process, for board members, can be intimidating. This guide won't tell you everything you need to know about insurance; it may not answer all of your insurance questions. But we hope it will answer enough of them to help you understand the risks your community faces so you can make informed choices about the insurance it needs.

Broadly speaking, there are three major categories of insurance risks:

Property – damage from fire, wind, leaks, and other hazards, both natural and man-made;

Liability – a broad category encompassing personal injury, libel, discrimination (and a lot of stuff in between); and

Financial Loss – resulting from fraud, embezzlement, and theft committed by association insiders and outsiders.

Three of the four sections in the guide cover those risk categories. We also discuss insurance for condominium owners – a separate category of property insurance that can create another level of potential risk for associations.

CHAPTER ONE

Property Insurance

The board is required to obtain a master insurance policy providing sufficient coverage for all the property for which the association is responsible. That sounds straightforward enough, but how do you know exactly what property is on that list, and how do you determine how much insurance will provide "adequate" coverage?

You will find some guidance in the association's governing documents. The Master Deed will typically define the coverage boundaries, while the insurance section of the bylaws often (though not always) will specify the amount and types of coverage the association is required to maintain.

The documents are just a starting point, however. The coverage some documents require may not provide the protection the association needs. There are three coverage options for associations:

Bare walls – covers common areas and limited common areas, but stops outside the "bare walls" of individual units. This means the master policy does not cover items within the interior walls of the unit, such as fixtures, cabinets, interior partitions and floor covering.

Single entity – covers common areas and limited common areas plus the interior of owners' units including fixtures, cabinets, floors and other structural components. This policy only covers the 'like kind and quality' of the original components the developer conveyed to the owner, which means that improvements and betterments made by the owner subsequent to conveyance by the developer are not covered.

All-in – expands single entity coverage to include betterments and improvements, producing the most comprehensive – and most desirable - of the three insurance options.

If the documents specify single-entity or bare walls coverage, boards can and should substitute all-in coverage. You can't obtain less coverage than the documents require, association attorneys agree, but you can go beyond those minimum requirements.

Adequate Coverage

The worst mistake boards can make—and a mistake they make all-too-often—is setting the association's **coverage limits** too low. The coverage limit is the maximum the policy will pay for a covered claim, so you want to make sure it is high enough to rebuild the structures if they are completely destroyed.

The benchmark is the replacement cost—not the original purchase price nor the original construction cost, and not how much someone might pay to purchase the buildings today, but how much you would have to pay to replace them.

The ideal coverage for associations is **"guaranteed replacement cost,"** where the insurer promises to pay whatever it costs to rebuild a damaged structure. But that coverage isn't widely available. Most polices instead cover the property's **"full replacement cost,"** which is an estimate of what it would cost to rebuild the property if it is completely destroyed.

An estimate, by definition, is an educated guess, and for insurance purposes, you want the most educated guess you can get. You are most likely to get it from an independent insurance appraiser with expertise in multifamily properties. This **"insurance replacement appraisal"** should include estimates for building code changes and increases in construction and demolition costs, and it should be updated every two to three years to make sure your replacement cost estimate reflects changes in building codes and costs. If the estimate doesn't fully cover the claim, owners will have to make up the difference through a special assessment.

An inaccurate replacement cost estimate might also trigger the "co-insurance" provision in many policies, requiring coverage equaling at least 100 percent of the estimated replacement cost. If the estimated replacement cost is $1 million but your coverage limit is only $800,000, you would have only 80 percent of the required coverage and the co-insurance requirement would apply. If you file a $50,000 property damage claim, the insurer will cover only 80 percent, requiring the association to cover the rest.

Umbrella Policies

You can further reduce the underinsurance risk by purchasing an umbrella policy, which will cover losses in excess of the limits on your primary policy. Just make sure the policy language specifies that the umbrella coverage will "follow the form" of the primary policy, which means it will cover the same claims in the same way, subject to the same definitions, limits and exclusions.

Inflation Guards and "Agreed Amount Endorsements"

Some industry executives recommend an **"inflation guard,"** which will automatically increase the property's stated replacement value by a specified amount every year. But this is also an estimate. If inflation is higher than the adjustment factor the insurer uses, the association will be under-insured. Automatic adjustments can also create the opposite problem, estimating inflation higher than it turns out to be and requiring the association to pay for more insurance than it needs.

An **"agreed amount endorsement"** provides more protection. This is the insurer's acknowledgement that the coverage limit you have selected is adequate. It would eliminate the under-insurance penalty that would apply if your coverage limit falls short of the amount required to cover the claim.

Ordinance or Law Endorsement

As long as your estimated replacement cost is accurate, or reasonably so, your policy will pay to restore the property to its pre-damaged condition. However, it will not pay for the cost of meeting new code requirements that may not have been in place when the community was built, but that will apply to the reconstruction. Some of these requirements—the installation of sprinklers, or the use of more expensive materials, for example—can add thousands, even hundreds of thousands of dollars, to the total. **Ordinance or Law** coverage, which is relatively inexpensive, eliminates the risk that owners would be required to pay those additional costs. This endorsement also pays for demolition and debris removal costs, which the primary insurance policy won't typically cover.

Some insurers will offer limited ordinance or law coverage as part of their standard policy, but insurance experts caution that this standard limit (usually capped at $250,000) won't come close to the cost of bringing some older buildings up to code.

As with the coverage limit on your underlying policy, you will want to be sure the limit on your ordinance or law endorsement is based on an accurate assessment of building code requirements and their related construction costs. An architectural firm or a contractor who builds multifamily properties can provide the estimate you need. You will want to update this estimate periodically—experts suggest at least every five years—to keep up with changes in codes and construction costs.

Blanket Policies

For communities with multiple buildings, a "blanket" policy covering all the buildings will usually be the best option. If you have 10 buildings with an estimated replacement value of $1 million each, your coverage limit under a blanket policy would be $10 million. If you suffer a $2 million loss at one building, you'd have $10 million of coverage available. Barring a disaster that destroys all the buildings, your coverage limit will almost certainly provide adequate protection.

"Specialty" Insurance

As a practical matter, associations don't need and couldn't afford to buy the maximum available coverage for every imaginable risk. Some insurance is properly deemed "discretionary." But the nature of insurance is, you don't need it until you need it, at which point, you need it very much. Coverage you didn't purchase because you thought it was "discretionary," will look essential if you suffer a loss that isn't insured.

Boards have to weigh the risks their communities face against the likelihood of a loss and the association's ability to pay for that loss should it occur. The crucial point here: The risk assessment must be realistic. Just because you have never incurred a loss doesn't mean you never will. Flood and earthquake insurance are two examples.

Flood. Standard property insurance policies will provide coverage for wind and rain, but not for flooding. Flood insurance comes in a separate policy, which few associations think they need. That's a conclusion association boards should rethink. As the effects of climate change become more pronounced, flooding is occurring with increasing frequency in areas that have not traditionally been classified as "high-risk."

The primary source of flood coverage for property owners is the National Flood Insurance Program (NFIP), overseen by FEMA. Owners of residential property (including condominiums) located in a "high risk" flood zone, as defined by NFIP maps, are required to purchase flood insurance as a condition of obtaining a mortgage. Community associations in these zones are required to purchase a master flood policy to satisfy the requirement for individual homeowners.

The maximum coverage available under the master flood policy is $250,000 per unit. For a 10-unit building, the coverage limit would be $2.5 million. The master flood policy covers all the property and components covered in a standard property policy, including: Building foundations and the interiors of individual units, including floor coverings, carpeting, bathroom and kitchen cabinets and fixtures, washers and dryers, electrical fixtures, air conditioning equipment, duct work, window treatments, and built-in cabinets.

The master flood policy does **not** cover owners' personal property. Owners must obtain separate flood policies to insure the contents of their units; the maximum individual coverage for owners' contents under the NFIP is $100,000, which provides reimbursement for the cash value of a unit's contents, not their replacement value.

Under NFIP rules, a community association located in a high-risk flood zone must have coverage equaling at least 80 percent of the replacement value of the buildings or $250,000 per unit, whichever is less. If the coverage is below that level, the community will be subject to a co-insurance penalty.

The NFIP policy has a number of other exclusions:

- It doesn't cover any finished property below grade;
- It doesn't cover damage to outside facilities, such as tennis courts, swimming pools, sheds, or other open-air structures; and
- It does not include an automatic inflation adjustment to compensate for rising construction costs, so replacement cost coverage for buildings that are damaged severely or destroyed is not guaranteed.

Earthquake. If you're not living in California, do you really have to give earthquake insurance a second thought? The short answer: That may not be a bad idea. New England is not California, of course. But Massachusetts does sit on the second worst fault line in the United States, making earthquake coverage essential for high-risk buildings (high-rises constructed on fill in downtown Boston would certainly qualify) and a good idea, in at least some amount, for almost all multi-story structures in the state.

Quakes don't occur very often in the Northeast, and the experts agree that the odds of repeat occurrences are small, but the damages a quake could cause are immense. In insurance industry terms, the Northeast represents a "low seismic hazard" but "high seismic risk." That is partly because the area is so densely populated, and primarily because few buildings in the Northeast are built to withstand a quake. Because of these factors, some industry experts view earthquake coverage as essential for condominium associations. The cost, they note, is relatively low compared to the damage condominium communities could incur if the earth does move under their feet.

Other Specialty Insurance

There are a number of coverages that aren't "standard" but that are important, meriting serious consideration by the board.

Mechanical equipment breakdown. If the association's septic system is damaged or destroyed in a fire, the property insurance policy would cover the cost of repairing or replacing it. But if a power surge shreds the equipment, the property insurance won't help you. Associations need a separate policy protecting mechanical equipment to provide that protection. This isn't a warranty; it doesn't cover wear and tear. But it would cover damage resulting from events other than the perils for which property insurance is designed. The cost of the coverage is relatively low compared with the cost of replacing elevators, HVAC systems, and other major components.

Loss of income. This protection would apply if a fire or other disaster forced residents to relocate temporarily until the repairs or reconstruction had been completed. Although owners are required to continue paying their common area fees even if an emergency forces them to relocate temporarily, a major disaster will almost certainly interrupt the association's collection process, at least for a while. This coverage, standard in some policies, will ensure the uninterrupted cash flow the association needs to continue paying its bills. Boards should make sure the association's master policy contains this coverage and for the maximum period (usually 12 months) the carrier allows.

Snow removal. Don't get too excited about this insurance. It doesn't provide compensation if it snows, but it does allow associations to insure against the risk of budgeting too little for snow removal services. The insurance is based on an index linked to the amount of snow that falls. The association selects a policy threshold that works like a deductible: The policy pays for snow removal costs above the threshold, up to the policy limit. If the threshold is 35 inches, the insurance would pay for snow removal costs above that benchmark. The higher the threshold, the lower the premium, and the less beneficial the policy will be. Industry experts suggest that associations use the coverage to insure against snowfall extremes, far in excess of the averages for which they budget.

CHAPTER TWO

Owners' Insurance

Many condominium owners choose to live in condominium communities because they want someone else to handle the responsibilities of home ownership. So it is not surprising that many owners assume the association's master insurance policy provides all the insurance owners need. This isn't the case and the misconception is dangerous for owners and condominium associations alike.

The "all-in" coverage that most master policies provide protects common areas and anything that is built into owners' units – walls, floors, fixtures, cabinets, and the like. The master policy does not insure an owner's personal property, however, nor does it provide the liability coverage they would need if someone is injured in an owner's unit and sues as a result. For these essential protections, owners need an HO6 policy, designed specifically for condominiums.

Deductible Coverage

In addition to personal property and liability, the HO6 policy also covers, or should cover, the owners' share of the master policy deductible. This is no small matter. In order to reduce premium costs and avoid the small claims that can contribute to them, most associations are accepting higher deductibles -- $10,000 has become the norm; $25,000 deductibles are not uncommon.

Many association boards have enacted rules specifying that owners who have claims covered by the master policy are responsible for paying their share of the deductible. If two owners share a $100,000 claim, each would have to pay half of the deductible. An owner who is the sole beneficiary of that claim would have to pay the entire deductible. Owners who don't have deductible coverage are essentially self-insuring for what could be a very large sum.

This is a concern for the association as well as for the owners who would have to write that check. If some owners can't pay their share of the deductible, other owners would have to cover the difference. Also, if a unit suffers damage that isn't covered by the master policy and the owner can't afford necessary repairs, other units and/or common areas might be affected.

Because of that risk, condominium attorneys typically advise association boards to adopt insurance resolutions detailing what the master policy covers (and what it does not), specifying the obligation of owners to pay master policy deductibles, and noting the importance of obtaining an HO6 policy to provide the protection owners need.

Some industry executives suggest that boards should not just encourage HO6 policies but require them; others caution that monitoring and verifying owners' insurance policies would be an administrative burden and could create potential liability for the association if the board fails to enforce the requirement. This is a policy decision boards should make in consultation with the association's attorney.

Additional Protections

The HO6 policy provides two other protections condominium owners need:

Loss of use – which would pay for the living expenses owners would incur if they are forced to live elsewhere while damage to their unit is being repaired. This coverage isn't included automatically in the HO6 policy. It's an endorsement that owners have to request, and should.

Loss assessment coverage – which would pay the owner's share of the gap; if the association suffers a common area loss that the master policy does not cover fully.

CHAPTER THREE

Liability Insurance

Personal injury is a serious liability risk for community associations, but it's not the only one; associations and their boards can be sued for virtually anything they do or fail to do. We're going to be discussing several different insurance categories of insurance risks here, including: The most familiar (Commercial General Liability and Directors and Officers); new- or relatively new -risks (Social Media and Data Breach) and some coverages associations don't always consider but probably should (Workers' Compensation and Shared Auto Liability).

Commercial General Liability (CGL)

The commercial general liability policy provides broad coverage for accidents in the community for which the association could be sued – the owner or visitor who trips on a sidewalk or slips on an icy stair or is injured in the community's swimming pool; the resident whose car ends up underneath a toppled tree; the resident or visitor who is assaulted in the parking lot. The policy will not cover the owner who is sued by a visitor injured in the owner's unit (See the previous section on HO6 insurance for owners.)

How Much Is Enough?

A key question for liability insurance, as it is for property insurance, is how much coverage is enough? Many community associations use the Fannie Mae secondary market requirement ($1 million) as their guide. There are two things boards should know about this requirement:

- It hasn't been adjusted since 1979; and
- Just because you meet the Fannie Mae minimum doesn't mean you have enough insurance for your community.

Multi-million-dollar liability awards, which were the exception 30 years ago, have become the norm. For most associations today, a $1 million liability policy will provide about as much protection as throwing a deck chair off the Titanic.

So how much coverage should you have? The glib, but accurate answer: As much as you can afford to cover the exposures you face. Those exposures will vary for different communities. A high-rise with a swimming pool, sauna, and tennis courts has more exposure and requires more insurance than a small town-house community with no amenities. But insurance experts suggest that even for a small, limited-exposure association, $2 -$5 million policy limit plus $5 million in umbrella coverage on top of that would not be unreasonable, bearing in mind, of course, that an outsized claim could exceed the policy limit regardless of how much insurance you buy.

Who is covered?

Insurance policies cover only the "named insured," so you want to be sure the named insureds in your liability policy include, in addition to the association itself, anyone who might face a liability claim that could put the association at risk. That list should include, at a minimum: board members, the association's property manager, and possibly volunteers who might be sued for their involvement in association-sanctioned activities.

Directors' and Officers' (D&O) Insurance

Community associations typically indemnify their board members against liability for actions related to their board service. Indemnification is an essential guarantee for trustees, but it is an empty promise, at best, if the association lacks the funds to make good on it. The D&O policy will pay the cost of defending trustees against allegations that they acted improperly, failed to act, or failed to exercise due care, and (with some exceptions) will pay any damages awarded if the plaintiffs prevail in those claims. The D&O policy will **not** cover claims resulting from property damage or personal injury, however; the association's general liability policy (discussed above) provides that protection.

In our litigious society, it is often said, "anyone can sue anyone for anything," and association board members are frequent targets. The D&O policy will typically cover the whole panoply of suits they might face, including, among others: Claims for housing discrimination, unfair employment practices, negligence, and violating their fiduciary obligations.

Many carriers offer D&O coverage, but all D&O policies are not alike. Some offer more or less protection than others. Stand-alone, **"monoline" policies** typically provide more comprehensive coverage with higher limits than the D&O coverage some carriers offer as endorsements in their General Liability policies.

The "named insureds" specified in the policy are particularly important here; you want that list to be broad and specific, extending coverage not just to current directors, but also to past and future directors, officers, volunteers and even spouses – anyone who might be targeted in the scatter-shot liability suits that many plaintiffs file.   Other details to consider in your D&O policy:

- Make sure it covers all damages related to a liability claim. Some provide coverage for "monetary damages" only. They won't cover the **"non-monetary"** claims of plaintiffs demanding something other than financial compensation, nor will they cover the cost of defending those claims.
- Make sure the policy states a **"duty to defend"** and not simply a promise to indemnify, which would pay damages if you lose a suit but wouldn't cover your defense costs. Equally important – make sure the coverage limit does not include the defense costs. If it does, the legal expenses could drain most of the coverage, leaving little if anything, with which to pay any judgment against you. You want a policy that puts coverage for defense costs "outside," not "inside" the policy limits.
- Make sure board members color within the lines. This has nothing to do with crayons or coloring books. It refers, rather, to the boundaries of a D&O policy, which do not extend beyond the official duties of board members. The policy would cover trustees sued by owners who don't like decisions the board has made; it would not cover the flooding damage resulting from a trustee's unsuccessful effort to repair a leak in an owner's sink. The repair effort, however well-intended, is unrelated to the duties of a trustee. effort, however well-intended, is unrelated to the duties of a trustee.

New Liability Risks: Social Media and Data Breach

Technology has created new ways for community associations to communicate with owners and for owners to communicate with each other. But these new communications platforms have also created an array of new liability risks for associations.

Boards probably don't think of themselves as publishers when they post information on their Web sites, host on-line chat rooms, open twitter accounts, create face book pages, or exchange e-mail messages. But they face many of the same liability risks as conventional print publishers or media organizations, including (but not limited to): Libel, defamation, copyright infringement (for reproducing content without permission), plagiarism, interference with contractual relations, emotional distress, and invasion of privacy, to name a few.

General liability and Directors' and Officers' policies don't always cover these risks and some may specifically exclude them. Even if you have some coverage, you may want to increase it, if your insurer is willing. Associations with extensive social media involvement should verify what kind of coverage they have. They may want to consider purchasing a social media endorsement or a separate social media policy, which some insurers may be willing to offer.

Data Breach Liability

Data breach is one of two cyber-related threats associations must consider. The other one (cyber-theft) is discussed in Section 4. A data breach occurs if "personal identifying information" the association collects (Social Security Number, driver's license number, bank account number, etc.) is lost or stolen.

Many condominium associations assume that if they rely on a management company to collect payments and store owners' information, they have no liability if the management company is breached. But transferring responsibility doesn't eliminate the potential liability, because owners who sue the management company for the breach will typically sue the association, as well. Also, most state data breach statutes and the courts hearing these cases will typically hold the end user of the information responsible to the same degree as the vendor.

Management contracts add another complication, and an additional risk, for associations. The indemnification provisions standard in management contracts require associations to hold their management companies "harmless" for claims resulting from their work on the community's behalf. That means absent evidence of "gross negligence," associations must pay the legal costs to defend those claims and any damages awarded for them.

Those costs can be significant. They include litigation costs and any damages awarded owners who sue. But the costs don't end there. Most states have enacted statutes imposing extensive obligations on and assessing large penalties and fines against entities that suffer a breach. Required responses may include: Notifying individuals whose information has been compromised, providing credit monitoring services for some period, and implementing remedial measures (data protection controls, procedures and systems).

An association's Directors and Officers (D&O) liability policy might cover defense costs and owners' damages from a breach. But the policy wouldn't cover penalties and fines, forensic costs (for analyzing the cause of the breach), remediation costs (to fix the problem), crisis management expenses, or notice requirements and other consumer protections. Many insurance companies are now specifically excluding cyber coverage from new policies and some are contesting cyber claims based on existing coverage.

Recognizing the need and the market opportunity, insurers are now offering separate cyber insurance policies covering both data breach and cyber-crime (which we discuss in Section 4). This is coverage that all community associations need. It includes:

- Forensic investigation costs
- Computer and data loss replacement or restoration costs

- Increased operational costs
- Public relations expenses and reputation management services
- Notification costs and credit monitoring for data breach victims
- Electronic theft and fraud protection
- Cyber extortion and ransomware costs
- Legal defense costs
- Penalties, fines and other expenses related to regulatory and law enforcement actions

A "mono-line" or stand-alone policy written by a specialty insurer will provide the most protection at the lowest cost, insurance experts agree.

Additional Liability Coverage

We've noted that associations don't need every type of insurance available. But there are three coverages that many associations assume, incorrectly, that they don't need.

Workers' Compensation. Why would a community association need this coverage if it doesn't employ any workers? Because they need protection against claims for injuries suffered by an uninsured worker who is providing services to the association. Potential liability could arise, for example, if the association hires a handyman directly, or if it hires a contractor who claims to have insurance but does not.

Non-Owned and Hired Auto Liability. Associations need this insurance for autos they don't own for the same reason they need workers' compensation insurance for employees they don't have – because they could be sued for an accident involving a vehicle they don't own, driven by someone using it for association-related business.

Special Event and Liquor Host Liability. Many condominium communities have party rooms or other spaces owners may rent for parties they are hosting. If the owners are planning on serving alcohol, the association should require them to purchase a "Special Event" insurance policy that includes liquor liability coverage, which owners would need if an inebriated guest damages property or harms other people. The policy should name the association as an "additional insured," requiring coverage for the association if it is targeted (as it almost certainly would be) in this litigation.

If alcohol is served at an association-sponsored event, the association would not need special "Host Liquor Liability" coverage because it is included in most general liability policies – with one significant exception. If the association charges for alcoholic beverages, it would need a Special Events policy that includes liquor liability coverage.

CHAPTER FOUR

Financial Loss

Fidelity and Crime Insurance

All condominium associations should have fidelity and crime coverage. A fidelity policy insures against crimes committed by an association insider; crime coverage kicks in for crimes committed by outsiders not affiliated with the association. Sometimes these policies are packaged together and sometimes they are sold separately; associations need coverage for both risks.

Boards that underestimate the replacement value of their community often make the same mistake when obtaining insurance to cover a financial loss. The Massachusetts Condominium Statute and secondary market rules require insurance equal to three months of association expenses. But meeting this requirement won't necessarily cover the association's exposure.

Most associations have reserve accounts totaling hundreds of thousands or several million dollars or more. Some have large bank loans on which they are drawing, as well. You want enough property insurance to reconstruct your community if it is completely destroyed, and you want enough fidelity and crime insurance to reimburse the association if every dime is stolen.

The employee dishonesty portion of the policy (targeting crimes committed by association insiders) should specifically cover directors, officers, association employees, property managers and volunteers – anyone in a position to steal from the association. Associations should also require the association's management company to have its own fidelity policy, which should cover directors and officers of the management company as well as its employees. A policy that covers employees only wouldn't cover a theft committed by the company's owner.

Cyber-crime

We've discussed the need for insurance against a data breach, but that's not the only cyber-risk associations face. They also need protection against cyber-theft. A hacker who gains computer access to the association's bank accounts could drain them. A clever thief might trick a board member or manager into wiring association funds to the thief's account.

The association's fidelity and crime policy won't necessarily cover losses resulting from computer crimes. Fidelity would cover computer crimes committed by association officials or employees, but not by "outsiders." Crime policies, which do cover outsiders, sometimes include coverage for computer crimes, but not always, and rarely with limits high enough to cover a sizable loss. Boards should determine what kind of coverage they have and consider adding a specific computer fraud endorsement, if necessary, to provide the protection they need.

The Community Associations Institute (CAI) is an international membership organization dedicated to building better communities. The CAI New England Chapter is one of 64 chapters worldwide. CAI provides information, education and resources to the homeowner volunteers who govern communities and the professionals who support them. CAI members include association volunteer leaders and owners, community managers, association management firms and other industry professionals who provide products and services to associations.

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