

THE HOA FEE SCAM – HOA FEES FOR LOW INCOME HOUSING SHOULD BE ELIMINATED UNDER CLASS ACTION LAWSUITS

- Government officials are profiting off of unjust profits that harm low income citizens.
- All of the “low income” housing in California, especially San Francisco, is made unaffordable because of pumped up HOA fees.
- Anybody making less than \$25,000.00 per years should, by law, have their HOA fees waived.
- A VULTURE CAPITAL system runs the HOA fee cartel.

Assembly Bill [572](#), introduced by Assembly Member Matt Haney of San Francisco, would place a cap on assessment increases a condominium homeowners association (HOA) could impose on a deed-restricted affordable unit, subject to certain exceptions. AB 572 would amend California Civil Code [5605](#), part of the Davis-Stirling Common Interest Development Act, to prohibit an increase of the HOA regular assessment for a deed-restricted affordable unit that is more than 5% greater than the preceding year’s regular assessment, or that is greater than the annual percentage change in cost of living, whichever is larger. The maximum increase for a deed-restricted affordable unit would be 10% greater than the preceding year’s regular assessment. The “percentage change in the cost of living” would be determined using the Consumer Price Index for the region where the project is located. The limitation would not apply to a development where 30% or more of the units are deed-restricted affordable units.

Civil Code Section 5605 already provides that an HOA board of directors may not impose a regular assessment that is more than 20% greater than the regular assessment for the HOA’s preceding fiscal year without the approval of a certain number of the HOA members. The proposed amendment to Section 5605 would extend this existing rule by further limiting such increases as applied to deed-restricted affordable units.

Under current state law, there is no difference between the assessments paid by affordable and market-rate units. Having one group of owners pay more and subsidize another group of owners who receive the same benefits and services is not allowed.

It may be well-intentioned, but AB 572 is somewhat controversial and opposed by some industry groups for a few reasons.

This new law could result in the affordable units paying less than the market-rate units for the same services and benefits. This disparate treatment could breed resentment from the market-rate owners, who were not part of the original approval of the project and imposition of affordable housing requirements, yet could be burdened with the responsibility of paying a disproportionate share of

assessments and subsidizing the affordable units in the project. This could be viewed as unfair to the market-rate unit owners.

This new law is also seen by some as designating affordable unit owners as a separate class of homeowners, which could create inequities and sow division among the residents of the community.

There is also concern that in order to avoid any controversy, an HOA might decide to cap all increases in HOA assessments at an artificially low amount in order to keep the assessments the same for all units. This could result in an HOA reducing services and deferring necessary maintenance, and could also result in large special assessments down the road to make up for insufficient HOA funds.

AB 572 is currently processing in the State legislature. We will continue to monitor and report back if the bill passes and becomes law.

<https://www.quora.com/What-recourse-do-you-have-if-HOA-fees-are-unfairly-increased>

What recourse do you have if HOA fees are unfairly increased?

Aug 15, 2015 ... In many new **housing** tracts the **HOA fee** seems reasonable. ... The **HOA fees** were rather **low**. Three years later they wanted to sell ...

<https://contracosta.news/2023/09/18/bill-to-protect-low-income-homeowners-from-skyrocketing-hoa-fees-heads-to-the-governors-desk/>

Bill to Protect Low Income Homeowners from Skyrocketing HOA ...

Sep 18, 2023 ... However, the benefits of **HOA fees** are not enjoyed equally among all homeowners. Market rate homeowners get to recoup the **costs** of **HOA fees** ...

<https://www.thenation.com/article/archive/the-us-housing-market-is-deeply-unfair-heres-how-you-can-help/>

The US Housing Market is Deeply Unfair. Here's How You Can Help.

Dec 14, 2018 ... Voice your support for **affordable housing** legislation. From bills proposing federal spending on constructing **affordable housing** to city-level ...

[Visit in Anonymous View](#)

<https://www.solid-ground.org/get-help/housing/for-tenants/low-income-housing-rights/>

Low-income Housing Rights - Solid Ground

Types of Housing Subsidies. Housing Choice (**Section 8**) Vouchers. Low-Income **Public Housing**. HUD **Subsidized Housing**. Tax Credit Properties ...