



COMMUNITY BUILDER

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Property Managers Vs. Community Association Managers - Is There a Difference?

In the world of association management, it is not uncommon for board members, homeowners, and vendors to refer to a Community Association Manager as a Property Manager. At face value, the roles may appear almost identical or interchangeable. However, the two roles encompass distinctly different professions with functions, skill sets, and responsibilities specific to each.



The distinction between the two is vitally important to understand since confusion between them often leads to misunderstanding roles and expectations. This common confusion may originate because many state legislatures fail to specifically recognize Community Association Managers instead of including them among real estate brokers or property managers. Further, this feeds into the belief that both roles assume the same set of skills and responsibilities.

What is the role of a Property Manager?

Hired by the property owner, Property Managers generally oversee any combination of individual rental units, groups of rental units, apartment complexes, and office buildings. They act as a middleman between the owner of the units/property and the tenant(s). Common responsibilities include finding or evicting tenants, conducting physical inspections, collecting rent, developing budgets and producing financial reports, and responding to tenant complaints or specific requests. Additionally, Property Managers have the express ability to make decisions about the property they manage; decisions such as alterations of rules, hiring and firing of service providers to maintain the physical components, and resource management to ensure the owner's assets are protected.

What is the role of a Community Association Manager?

Hired by the board of directors, Community Association Managers generally oversee any combination of associations, including master-planned communities, homeowners' associations, condominiums (residential and commercial), and cooperatives. The Community Manager acts as the intermediary between the board and the homeowners, vendors, and the management company. Though responsibilities may vary based on the management agreement, the most common are: developing budgets, presenting association financial reports for review by the board, attendance at board and member meetings, assisting with authorization of payments to service providers, and conducting site visits and coordinating the consistent enforcement of rules and regulations. Above all, the Community Association

Manager's role is to support the board of directors in running the business operation (the association) by following the guidelines outlined in state statutes and association governing documents.

So, what is the difference? And why is it important?

The critical difference between the two types of managers is who makes the decisions. In the case of the Property Manager, the decision-making authority is granted by the property owner. The Property Manager can make decisions at their discretion as long as these actions are in the interest of the owner/property. Conversely, Community Association Managers work at the direction and discretion of the board of directors – never making decisions without the board's input. As an example, a Property Manager can solicit, review, and select a bid for landscaping without the owner's involvement. Community Associations Managers, however, would first receive direction from the board to solicit bids and then present them for the board to review and select the vendor of its choosing.

It is easy to understand why the confusion between the two roles exists, especially when considering slight overlaps in some of the duties performed. The distinction between the two is essential to understand – since legislators and many in the industry have caused confusion regarding the association management company's role within and on behalf of a community. Issues can be compounded when legislators pass laws that affect the industry based on false assumptions.

Our desire at Sentry Management is to strive to meet or exceed the expectation of the boards and communities we are honored to serve. Understanding our role within the community affords us the ability to meet the association and board's expectations. Sentry Management's brand promise is to nurture communities we are all proud to call home. We're so thankful for the opportunity and privilege of serving every community!

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