

Each common-interest community has its own history, personality, attributes and challenges, but all associations share common characteristics and core principals. [CAI](#) (Community Association Institute) developed the Community Association Fundamentals to foster a better conceptual understanding of how associations function and the roles of residents and association leaders.

- ✦ Associations ensure that the collective rights and interests of homeowners are respected and preserved.
- ✦ Associations are the most local form of representative democracy, with leaders elected by their neighbors to govern in the best interest of all residents.
- ✦ Associations provide services and amenities to residents, protect property values and meet the established expectations of homeowners.
- ✦ Associations succeed when they cultivate a true sense of community, active homeowner involvement and a culture of building consensus.
- ✦ Associations homeowners have the right to elect their community leaders and to use the democratic process to determine the policies that will protect their investments.
- ✦ Association homeowners choose where to live and accept a contractual and ethical responsibility to abide by established policies and meet their financial obligations to the association.
- ✦ Association leaders protect the community's financial health by using established management practices and sound business principles.
- ✦ Association leaders have a legal and ethical obligation to adhere to the association's governing documents and abide by all applicable laws.
- ✦ Association leaders seek an effective balance between the preferences of individual residents and the collective rights of the homeowners.
- ✦ Association leaders and residents should be reasonable, flexible and open to the possibility – and benefits – of compromise, especially when faced with divergent views.