



Lost Constitution Webinar

Veritas para justitia
(truth for justice)

“We must provoke until they respond and change the laws.”
Gandhi

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GENERAL SCRIPT - Introduction Part 2

June 5, 2020

Preface – Introduction Part 2

The overall intent and purpose of this webinar series is the education and reorientation of HOA members, especially the board of directors, to

long ignored issues of constitutional validity; issues that the public will not find in the multitude of materials and publications of that business trade group, Community Associations Institute, CAI. The reorientation project is the first step toward the understanding and acceptance of my ***Plan Toward the Restructuring the HOA Model of Governance***; it requires an examination of the role and influence of CAI in supporting and promoting the HOA legal concept and model of government.

Please see the list of supplemental materials provided in this seminar.

In part 3 I will address the question: **Why HOAs are in need of a major restructuring?** For now, a short response is,

To end the secessionist, independent principality, private contractual HOA government under the protection of state legislatures, who have abdicated their allegiance to the US Constitution under the influence of the national lobbyist, CAI.

With the recent developments with the GEICO HOA advertisement, the scenario in the script will be skipped so I can address the GEICO adv and CAI's response.



We know that many of our members have voiced their concern about a recent commercial aired by GEICO Insurance. In response to the commercial, CAI has released the following statement:

In response to GEICO Insurance’s “HOA Cynthia Advises New Neighbors” commercial, Community Associations Institute (CAI) is deeply disappointed by the company’s inaccurate portrayal of homeowners associations and the 2.5 million volunteer board members elected to serve their communities.

GEICO’s attempt at comedy about a family moving into a community association is disrespectful and insulting to the millions of volunteers and hundreds of thousands of professionals who work tirelessly and proudly to build communities people are proud and privileged to call home. Community associations, also known as condominiums, homeowners associations, and housing cooperatives, are home to 73.5 million Americans.

Learning the facts about HOA living is so easy to do, a caveman could do it. According to the 2018 Homeowner Satisfaction Survey, independently conducted by Zogby Analytics for the Foundation for Community Association Research, residents in associations are overwhelmingly in support of their community association experience, manager and elected board members.

These are the facts and not the easy, stereotypical and condescending messages designed to get a cheap chuckle.

CAI invites GEICO to take 15 minutes to discuss the value of community associations and how they bring people together, strengthen neighborly bonds, and promote a sense of belonging—especially now.

Thomas M. Skiba, CAE
Chief Executive Officer
Community Associations Institute

(June 3, 2020)

[SCENARIO]

I understand that many of you may find my issues and arguments hard to follow, which is the intent of this online seminar series: To provide a broad picture of the ugly forest that is HOA Land. So, allow me to present a scenario that should pull together the need to see the ugly forest through the trees, where the Evil Empire keeps you focused.

Let's start with the situation in which the homeowner is told by the court or legislators that he has the right and power to join the board and change what is wrong. "Get elected! Participate!", he is repeatedly told. Sound familiar? This is CAI's mantra that you can fix it but the members are too apathetic. The implication is, is that it's the members' fault, not a defect in the HOA structure. The common result is the homeowner loses; his complaint is not recognized as a valid complaint.

What is wrong here??? It is the failure of the homeowner and his attorney, if any, to object to the false view that all is well in HOA Land when that right, that power, is ineffective because the governing documents, supported in most cases by the laws, provide a high and insurmountable bar. Speaking politely to the judge or legislator, the

~~member must explain how this bar is ineffective; that the voting process to elect directors is unjust, unfair, and would never pass public fair elections requirements.~~

~~Remember that HOA governance is contractual not municipal, or common law, or long held traditions. If it ain't in the contract it doesn't apply, it doesn't count; and if in the contract it does apply, it does count.~~

~~In short, here are the arguments to be advanced:~~

- ~~• Access rights – meetings, equal campaigning, membership lists~~
- ~~• Right to establish online member websites~~
- ~~• Candidate selection – HOA approval of candidates, write-ins~~
- ~~• Ballot tampering – validation and counting~~
- ~~• Meaningful enforcement of violations~~
- ~~• Power of attorney rights~~

~~By advancing these arguments you will be turning the focus on the judge, the HOA attorney or the legislator to respond, if they do respond in a meaningful manner. Do not be dejected if you receive an empty "lip service" response. What you will have accomplished is to expose these constitutional issues in public and in the public record and no longer being ignored. This tactic must be repeated in every possible instance in order for it to enter into the conscious mindset of the public,~~

~~offsetting the Evil Empire's indoctrination. If you take anything away from these seminars, let this scenario be one.~~

~~Probably in your mind is the rebuttal that "you agreed to be bound" and therefore have accepted the above defects. This mantra of "you agreed to be bound" by the CC&Rs "contract" is a controversial but weak argument that requires a lengthy discussion, which will take place at a future seminar. This scenario demonstrates how a particular topic leads to another aspect of another HOA and to another, etc. all of which are necessary to fully understand the ugly forest of HOA-Land.~~

~~. . . .~~

I am not primarily concerned with how the HOA functions in its day-to-day operations, which varies depending on the abilities and skills of the board directors. Some are very good and some are simply rogue BODs.

[Part 2?] * * * * *

Returning to long-term indoctrination — brainwashing if you will — allow me to go over some important documents relating to the origins of the HOA legal scheme and model of local government that were briefly discussed in part 1.

Short History of HOA-Land

Now as to being an “education leader”, CAI is **not** an education tax-exempt organization but a business trade group that serves the interests of its member attorneys and managers whose income comes from HOAs.

In 1992, 19 years after formation, CAI elected to become a business trade group, but continues to give the impression that its purpose is to educate HOA members and board directors -- the purchasers of the services provided by CAI’s member attorneys and managers. As a tax-exempt business trade group, it is not allowed to have its customers as clients, which means HOAs themselves have been removed as CAI members way back in 2005. This seems like misrepresentation to me.

Moving on --- I must speak to the background and history of HOAs in America, which is needed in order to better understand the legalities, constitutional issues, and the HOA concept as it truly functions in the real world. ~~You will discover that it does not follow the trade group’s~~

~~prescriptions and lofty advices found in its numerous public
communications and materials.~~

The origins of the present HOA model stems from the 1964 *Homes Association Handbook* sponsored by HUD and conducted by the Urban Land Institute, ULI. Here's the cover page of this 424 plus page handbook. [SHOW]

VOL. 1
CH. 10 - 11.8

THE HOMES ASSOCIATION HANDBOOK

- *A Guide to the Development and Conservation of*
- *Residential Neighborhoods with*
- *Common Open Space and Facilities*
- *Privately Owned and Maintained by*
- *Property-Owners Associations Founded on*
- *Legal Agreements Running with the Land*

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"Supporting principals of democratic government"

Note who were co-sponsors at the bottom of the page. [SHOW]

“This bulletin was prepared under contract for the Federal Housing Administration with the collaboration of the U. S Public Health Service and the co-sponsorship of Office of Civil Defense, Urban Renewal Administration, Veterans Administration & National Association of Home Builders.”

Where are the public constitutional interest associations or think tanks?

The last paragraph of the Foreword by the then ULI President reads:

“It is our firm belief that the information and recommendations contained in the handbook will be of major value to land developers, planners, home builders, appraisers, mortgage lenders, realtors, attorneys, association officers, and public officials concerned with the planning, development, and operation of stable and attractive residential areas for the home owner and the community.”

Reads like a money-making venture with a social value attached; there are no references to questions of local government or

constitutional validity. But what have ULI & CAI have to say about the Handbook, through their sponsored 2000 book by Stabile: [SHOW]

[HOAs are] a consumer product sold by profit-seeking firm, a legal device, a corporation reliant on both coercive powers and voluntary cooperation, a democracy, and a lifestyle. . . . With this plan, TB50 [The Holmes Association Handbook] set out the plan that would be taken in forming the CAI. (Page 103).

(See Community Associations in Table of Authorities, item M).

But over the course of years HOAs have been sold as, protecting the buyer's home value, the greatest form of democracy and "care-free living." All purchased by a real estate contract and not by a commercial business or stock contract.

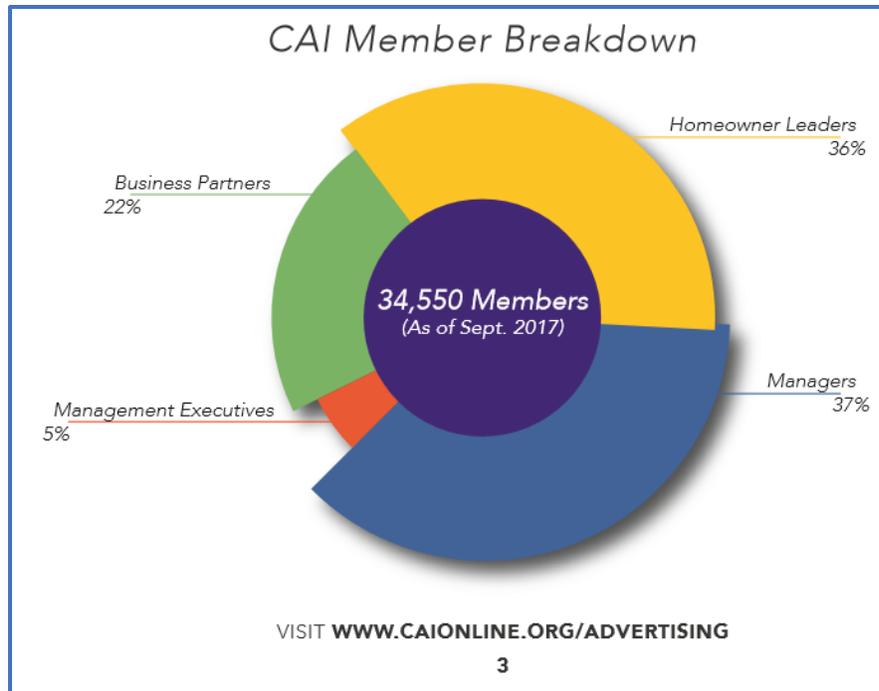
[This is a good time to stop and allow for questions. Please raise your hand. Equitable servitudes; misrepresentation](#)

More CAI facts

First, understand that some 23% of Americans live in HOA-Land, that collection of fragmented independent principalities known, in general, as

HOAs. That's more than the 15 – 17% minority representations. Overwhelmingly their members swear by their HOA as *the next best thing to Mom's apple pie*. It is hard to accept this undying loyalty to the HOA and its board of directors in view of the fact that their acceptance of HOAs is the result of an intentional indoctrination by the national lobbying, business trade group that, in my mind, does not know how to spell "constitution." Obviously then, those numerous CAI satisfaction surveys are suspect.

Second, keep in mind that CAI membership of some 40,000 persons is a miniscule percentage of all the 347,000 HOAs in America or just 11.5% -- if the entire membership came from different HOA. (CAI 2018 data). HOEVER, very important, CAI announced in its 2017 CAI Marketing Opportunities report that **some 36%** of all member are "volunteers" or HOA residents (basically HOA board members). **In short, CAI has only about a 4.1% presence in HOA-Land. [SHOW]**



Understand that these are based on CAI’s data and estimates. (Putting it in perspective, 2010 AARP states a 2010 membership of 35,700,000, and that’s 36% of the entire 50 plus population based on the US Census estimate).

However, CAI’s dominance and control over HOA-Land stems from its lobbying influence in all 50 state legislatures by means of its LACs, Legislative Action Committees. They are united, organized and actively a presence. Can such a minority faction legitimately claim to be the voice of HOAs in America? CAI promotes itself, *“As a global nonprofit 501(c)(6) organization, CAI is the foremost authority in community association*

management, governance, education, and advocacy”, and with its LACs is the voice heard before state legislatures. In other words, the game is rigged in favor of the HOA and not the membership at state legislatures.

. . . .

The HOA-Land Nation

HOAs are separate, local private governments not subject to the Constitution, and collectively constitute a nation within a defined geographical region known as the United States. (quote) *“A nation consists of a distinct population of people that are bound together by a common culture, history, and tradition who are typically concentrated within a specific geographic region.”* (unquote)

I quote from my publications, [SHOW]

“Public policy today rejects the application of constitutional government to HOAs allowing them to operate outside the law of the land. The policy makers have failed to understand that the HOA CC&Rs have

crossed over the line between purely property restrictions to establishing unregulated and authoritarian private governments.”

Now let's get to the webinar cases and evidence revealing the truth kept from the public.

[BREAK FOR PART 3]

The Emperor's New Clothes

by

Hans Christian Andersen

Once more he turned about in front of the glass that it might seem as if he was really examining his finery. The lords in waiting, who were to carry the train, fumbled with their hands in the direction of the floor as if they were picking the train up. They walked on, holding the air—they didn't want to let it be noticed that they could see nothing at all.

So the Emperor walked in the procession under the beautiful canopy, and everybody in the streets and at the windows said: "Lord! How splendid the Emperor's new clothes are. What a lovely train he has to his coat! What a beautiful fit it is!" Nobody wanted to be detected seeing nothing: that would mean that he was no good at his job, or that he was very stupid. None of the Emperor's costumes had ever been such a success.

"But he hasn't got anything on!" said a little child. "Lor! Just hark at the innocent," said its father. And one whispered to the other what the child had said: "That little child there says he hasn't got anything on."

"Why, he hasn't got anything on!" the whole crowd was shouting at last; and the Emperor's flesh crept, for it seemed to him they were right. "But all the same," he thought to himself, "I must go through with the procession." So he held himself more proudly than before, and the lords in waiting walked on bearing the train—the train that wasn't there at all.