

POA Education Center

Education Series #002

HOA vs. POA – Is There Really a Difference?

Why This Matters

One of the goals of the POA Education Center is to help members better understand how a Texas property owners association operates. Sometimes confusion begins with something as simple as the name itself.

One of the most common questions heard in SunEagle Bay is:

"We're a POA, not an HOA."

Others have heard exactly the opposite.

So, which is correct?

The Answer

The simple answer is **both**.

In Texas, the terms **Homeowners Association (HOA)** and **Property Owners Association (POA)** are commonly used to describe the same type of organization. There is no separate body of Texas law that makes one organization legally different from the other simply because of its name.

Instead, an association's authority comes from its governing documents and the laws that apply to it—not from whether it calls itself an HOA or a POA.

Why Do Some Communities Use "HOA" and Others Use "POA"?

The difference is usually one of preference rather than law.

Communities where nearly every lot has a residence often use the term **Homeowners Association**.

Communities that include vacant lots, recreational lots, future building sites, or other undeveloped property often prefer **Property Owners Association**, since not every owner has a home on the property.

Both names accurately describe organizations created to manage and administer a community according to its governing documents.

What Gives a Property Owners Association Its Authority?

Whether an association is called an HOA or a POA, its authority generally comes from the same sources:

- Recorded Restrictive Covenants (also called Deed Restrictions or CC&Rs)
- Articles of Incorporation (if incorporated)
- Bylaws
- Applicable Texas statutes
- Applicable federal law

These documents and laws establish the rights and responsibilities of both the Association and its members.

How This Applies to SunEagle Bay

SunEagle Bay includes both developed homes and vacant lots.

Because not every property owner owns a home within the subdivision, the name **Property Owners Association (POA)** is an appropriate description of our community.

However, referring to SunEagle Bay as an **HOA** would also be correct because both terms are widely used to describe the same type of community association.

The important point is that **the Association's name does not determine how it operates.**

Our governing documents and applicable law do.

Why Understanding This Matters

Understanding that HOA and POA are simply different names for the same type of organization allows us to focus on the questions that really matter.

Instead of asking:

- Is it an HOA or a POA?

We can focus on questions such as:

- What do our governing documents require?
- What does Texas law require?
- What responsibilities does the Board have?
- What rights do members have?

Those are the questions that help our Association function effectively and fairly.

Key Takeaway

For SunEagle Bay, **HOA** and **POA** are simply two different names used to describe the same type of community association.

The Association's authority does not come from its name.

It comes from its governing documents and the laws that apply to it.

Next in the Series

Education Series #003

Understanding the Board of Directors?

Sources

This article is based upon:

- SunEagle Bay Governing Documents
- Texas Property Code (including Chapter 209, where applicable)
- Texas Business Organizations Code (where applicable)
- Generally accepted community association governance principles

Educational Disclaimer: This article is intended for general educational purposes. It is not legal advice and does not replace applicable statutes or the Association's governing documents. If a conflict exists, the governing documents and applicable law control.