



Colorado HOA Forum HOA Homeowner Advocates

Promoting Reform in HOA Governance



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The HOA Property Manager (aka Community Association Manager (CAM)) Licensing law became effective Jan 1, 2015. However, enforcement of guidelines and rules will not be effective until July 1, 2015. Thus home owners can't file any CAM violations/complaints until July 1, 2015.

Contact us at:

www.coloradohoaforum.com or email us at coloradohoaforum@gmail.com

Join our effort by [signing up on our web site](#). The web site contains HOA articles, reference information, current events, and tools to help you [write your legislators](#)

Write the [Colorado Information Office and Resource Center](#) about your concerns with HOA governance and homeowner's rights. **THIS DOES HELP!!**

[Request our business cards](#) through our web site for distribution to your neighbors or at an HOA meeting. Ask your friends and neighbors to [join our movement](#). it's free.

New Mexico Addresses Abusive HOA Transfer Fees



Legislators/DORA Ignore Plea to Revise HOA Property Manager Licensing Requirements for Small HOAs and to Require "full" Disclosure of Fees

Construction Defects Legislation: Empowers Home Owners on the Use of their Funds in Litigation and the Real Impact on HOAs

Phantom Opposition to HOA Legislation Hurts Home Owner's Interests



Construction Defects Legislation SB 15-177

Real Impact on Home Owners ?



Is your HOA Registered?

Property Manager Licensing FAQ's

Out of Court Binding Dispute Resolution (not Mediation) : Good Enough for Property Managers but Not Home Owners?

Americans With Disabilities Act Articles and Web site references on our web site

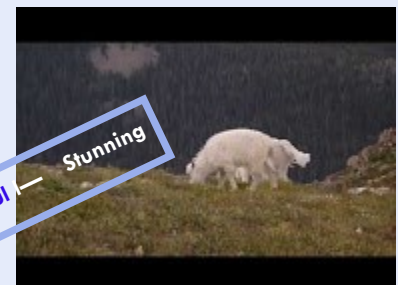
Understanding HOA Insurance

Organize an HOA Town Hall Meeting with your legislator

Who or What is the Community Association Institute (CAI) and who do they represent?

Rental units and HOA Transfer Fees impede home loans

HOA legislative reform is our process for improving upon HOA governance. Our number one goal is to implement a [binding out of court dispute resolution process](#) for use in resolving HOA complaints. A [State directed study on HOA home owner dispute resolution](#) recommends this process. Colorado will use a similar out of court process to resolve complaints under the new HOA property manager licensing program: **if good enough for property manager complaints why not for HOA home owner complaints?** Please [read about this dispute resolution process on our web site](#) and [write your legislator](#) asking them to sponsor legislation to implement the recommendation in the State Study.



Beautiful — Stunning

Colorado Mountain Goats



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2015 Legislature: Home Owners Snubbed



Our Legislative objectives were presented to our legislators and support for home owners is at best poor. We began presenting our proposals to legislators in October 2014 and continued soliciting support. Responses ranged from individual legislators saying their “quota for Bill submission was full”, “let them (homeowners) figure it out themselves”, and “we’ve had too many HOA Bills of late”. These same legislators, both political parties, found time and effort not long ago that included a law naming the State pet.

There are a few encouraging things that may provide a favorable foundation for HOA issues. Reading the newspapers and listening to the media it appears they are finally getting a clue about who or what the CAI is and not promoting them as heavily as a home owner centric organization. Some legislators are also listening to other than the CAI for HOA information.

Then we had the sponsors of proposed SB 15-177, Construction Defects, responding to our request to ensure proxy voting would be allowed in HOAs when approving litigation. We also made several other requests that as of this writing are unclear as to inclusion. We have had more legislators return calls and meet with us on HOA issues and hopefully this leads to Bill sponsors next session. We remain in the media from the Denver Post to the Tom Martino TroubleShooter radio show getting our word out and providing a home owner’s perspective on HOA issues. Recognition and credibility are the founda-

tion for getting things done!

Community Association Manager (CAM) licensing has moved forward but we wouldn’t say it progressed. The rules have been written but DORA fails omit specific rules to indicate a CAM must comply with all State HOA laws and the governing documents of the HOA it services. DORA’s ethical standards don’t require CAMs to apprise HOA Boards of observed violations, suggest corrective action, and if the violation continues to report/document it to DORA. This deliberate exclusion is insulting to home owners and makes the licensing program more about selling educational courses and collecting fees than protecting the consumer’s interests, preventing abuse, and ensuring enforcement when infractions occur.

DORA has also declared full disclosure of CAM fees charged to home sellers to be no more than a one liner on closing documents or in an HOA contract and no requirement to even provide the home owner with a detailed receipt of fees. DORA has also ignored pleas for reduced fees and educational requirements for the smallest of HOAs: HOA registration requirements consider size why not apply the same reasoning for small HOA CAMs?

Compromise should be one means of dispute resolution and can save legal costs

The art of compromise between an HOA and home owner seems to have been lost. Sometimes bending a covenant makes sense and financial sense for all. We’re not talking about violations that are clear in covenants. If paint restrictions indicate brown is the only acceptable color to paint a house and you paint it red you are in violation, the end. If you adopt a Great Dane and the HOA has a 15 pound limit on pets you should be fined. However, in some cases compromise between a Board and a home owner is appropriate.

Continued on page 5



Write Your Local Newspaper on HOA Issues

The Colorado HOA Forum is an advocacy group for HOA home owner’s rights. We recognize the need for HOA legislative reform to ensure effective and fair HOA governance. We identify areas of concern and offer solutions that don’t interfere with or distract from the benefits and expectations of living in an HOA. Our efforts don’t hinder volunteers from serving on an HOA Board and ensure such service will be the altruistic and giving experience intended. Our efforts are directed at ensuring HOA Boards and property management companies abide by their own governing documents and State HOA laws. We are strong advocates of making changes to current HOA law to include a home owner dispute resolution process that is accessible, affordable, and fair for both the home owner and HOA: [out-of-court binding dispute resolution](#).



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Virginia Passes HOA Bill of Rights but affect is questionable and redundant (this wouldn't help Colorado)

Talk about legislative three card monte. Legislators in Virginia passed a Bill that was framed as a homeowner's "Bill of Rights" by some and by others labeled an illusion.

In Colorado such a Bill of Rights would be like consolidating all our HOA Bills into one law. It would not make the currently mostly ineffective laws (from the home owner's perspective) more enforceable but only allow you to research these laws all in one place. The Bill would make our legislators feel good but it would again be another HOA Bill great on paper weak in the trenches.

The Virginia Bill, The Homeowners' Bill of Rights, consists of five provisions –

1. The right to inspect all books and records –
2. The right to cast a vote on any matter requiring a vote –
3. The right to have notice of all meetings and to record the meetings –
4. The right to have notice of any proceeding conducted against the owner and to have the right of due process –
5. The right to serve in elected office if duly elected –

None of these "Rights" are new. Virginia does have an out of court dispute resolution process to enforce these Rights which is more than we can say for Colorado

Full article

HOA Property Manager Licensing: Fees Transparency is a License to Abuse

The Community Association Institute (CAI), HOA lawyers, and large property management companies know one thing is certain: laws on transparency and disclosure will not inhibit abusive practices in the HOA property management industry. In 2014 these groups combined their legislative, political, and financial efforts to kill a Bill (HB 14-1254) that would have ended or limited the dollar amount of the illegal and unjustified HOA home sale transfer fee.

Full Article

Parking Restrictions: A different perspective

A homeowners' association has filed a lawsuit seeking to bar a resident in the town of Manlius (New York) from parking his own pickup truck in his driveway.

The Kimry Moor Homeowners Association (New York) has filed a lawsuit against residents David and Arna Orlando in Onondaga County Supreme Court because they are parking their 2014 black Ford 150 pickup in their driveway at 511 Kimry Moor, just outside the village of Fayetteville. The association wants an injunction to stop the couple from parking their pickup in the driveway of their home.

The association cites its regulations, which limits parking in driveways only to "private, passenger-type, pleasure automobiles," according to the lawsuit. The association owns all the driveways in the development, according to court filings. The Orlandos could park their pickup in their garage, but not in their driveway. **Full article.**

Note: know your HOA rules and restrictions before you buy into an HOA and understand you will be fined if not in compliance. Work to change a rule but you are wrong to outright violate and should be fined.

CAI Threatened Over Empowering HOA Home Owners on the Use of Their Own Funds in Litigation: SB 15-177

The Community Association Institute (CAI), long incorrectly identified as a home owner centric organization in the press and by State legislators, is at it again in attacking HOA home owner's rights. The CAI represents the interests of property managers and HOA lawyers and not home owners. This time they are objecting to a provision in proposed Colorado SB 15-177 (construction defects) that requires HOA home owners to approve the use of HOA funds in litigation **see full article**

Too many rental units in an HOA or the existence of HOA Transfer Fees can block loan eligibility from Fannie Mae, Freddie Mac, FHA/HUD, and your local bank.





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CAM Licensing: consumer protection or selling educational courses, collecting fees

HOA Community Association Manager (CAM) Licensing has turned into more of a program to sell educational courses and collect fees than a means to bring accountability to the property management industry.

The final public hearings on developing rules under the Community Association Manager (CAM) licensing program surfaced little in the way of new recommendations but plenty on weaknesses in home owner protections. The rules were absent of details that are the foundation for home owners to bring complaints against abusive practices:

1. No specific rule that CAMs must comply with HOA governing documents or State law.
2. No rule requiring CAMs to take action when they observe an HOA Board in non-compliance with their own governing documents or State law.
3. Disclosure requirements on CAM fees imposed no new requirements. DORA was supposed to address disclosure on the costly and controversial HOA home sale Transfer Fee. Disclosure will only require

Full Article

One dysfunctional HOA, no one accountable

If you think your HOA has been mismanaged check out [this dysfunctional HOA in Colorado Springs, CO](#). The only entity accountable for destroying this HOA are the home owners who will pay dearly to clean up the mess. Who says we don't need HOA legislative reform?

Assistance Animals, ADA, and Fair Housing Act



We are often asked about pet restrictions in the context of homeowners' associations (HOAs) and their enforceability with respect to assistance animals for persons with disabilities. An HOA's governing documents often restrict the type, size, and quantity of pets allowed. Like all good rules, there are exceptions. In this case, they come in the form of the federal Fair Housing Act. **Full article**

Become an HOA reporter: send a letter to the editor of your local newspaper

Bring attention to HOA issues in your local area. [Find the email address of your local paper in this article.](#)

Tips for a strong Letter to the Editor ...

Focus your letter! 1/2 Shorter is better and generally 200 words are recommended.

Open with a strong statement, and be sure to place the most important information at the . **Full article**

Collection Notice Requirements for Delinquent HOA Debt (if not then what)

The details of the notice are as follows:

- a. It must contain the amount due with an accounting of how the total was determined (a running balance ledger going back to a -0- balance is sufficient)

Full article



Work with your legislator to have them feature HOA issues at their next Town Hall Meeting. We will attend and offer to present an update on HOA issues, field questions from home owners, and/or present information on HOA home buying. Request our involvement at: coloradohoaforum@gmail.com



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Compromise should be one means of dispute resolution and can save legal costs

An example of a case illustrating that if compromise was the order of the day much time, effort, and money could have been saved. In this case the compromise wouldn't have either hurt property values or directly violated a restriction nor would have resulted in an eye sore in the community. The HOA paid \$20,000 to settle a resident's wheelchair-ramp dispute that simply could have been settled out of court. The HOA got more focused on exercising its authority than the issue of the ramp. Another case subsequently resolved to allow a play house for an ill child could have been resolved with compromise and reason by the HOA Board.

When communication and reason end and each side digs in to defend their position, fines replace working out a solution and a court case develops to prove right or wrong. Home owners don't have the time or money to fight issues. HOAs, however, can use their unlimited resources and the HOA attorney to prove their point in court. Mediation could work but let's face it, when two are not talking and bull headed on an issue it is unlikely that mediation will suddenly turn on the light of reason and all will be well. Mediation has been around for HOAs for decades and problem resolution for home owners is more elusive than ever. Mediation costs money and guarantees no enforceable decision. Home owners need a venue to file a complaint, get it heard and a decision rendered, period. A process that has a beginning and end. A process that is affordable, accessible, doesn't require lawyers, and is simply based on fact and not an ability to finance a court case. Such a system is in place in several states and has been endorsed by a Colorado State study: Out of court binding dispute resolution (NOT MEDIATION).

We advocate disputes be resolved out of court either through open communication and compromise else through out of court binding dispute resolution.



Write Your Local Newspaper on HOA Issues

Can HOA manage space within your home

Question: We live in a seniors-only community. Our board and managers harass disabled owners. I have lymphoma and advanced Barrett's esophagus; my neighbor has cancer and chronic rheumatoid arthritis. Except for when we get assistance going to doctors and hospitals, we are housebound. The manager comes into our units, calling us "hoarders," saying, "Hang your clothes up" and asking why do we need these "things"? We are told we "have too much stuff" **Full Article**

The HOA Property Manager (aka Community Association Manager (CAM)) Licensing law became effective Jan 1, 2015. However, enforcement of guidelines and rules will not be effective until July 1, 2015. Thus home owners can't file any CAM violations/complaints until July 1, 2015.

What can be done to prevent installing hard surface flooring in their condominium?

Our condominium documents specifically prohibit the second-floor owners from installing wall-to-wall hard surface flooring in the unit. The documents specifically require carpet except for a few areas, which must be approved by the board and meet certain acoustic underlayment to prevent vibration and noise due to walking on the hard surfaces. It has come to our attention that a second-floor owner has installed wall-to-wall tile and it was approved by the board. What can we do to prevent this from happening above us? **Full Article**

New Mexico Addresses Abusive HOA Transfer Fees

New Mexico understands the HOA Transfer Fee is an abusive, excessive, and unjustified fee assessed by property managers on home sellers. The CAI has managed to suppress any efforts to address this problem in the Colorado legislature. We will continue to work to save home owners millions each year by ending/limiting this fee. **Learn about HOA Transfer Fees**



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HOAs Across the USA

[HOA restrictions on preventing kids to ride bikes and use skate Boards results in fines: read your governing documents before buying into an HOA](#)

[HOA denied my ham radio application](#)

[Filing for Chapter 11 bankruptcy reorganization: viable option for condo associations, HOA's](#)

[HOA Incompetence Results in Electricity, Lights, and Cable TV Shut Off to Residents: little recourse for home owners \(except a court case\)](#)

[HOAs can block property transfers](#)

[New Mexico: dispute resolution and abusive fees](#)

[Florida Woman Tries to Back Out of Home Purchase By Blaming Diet Pills](#)

[The Worst Homeowners Association Ever Reverses Their Decision To Deny This Make A Wish Child's Wish](#)

[What are condo manager's rights to enter my unit?](#)

NOTE, THESE ARE ARTICLES FROM ACROSS THE USA AND THE HOA LAWS IN EACH STATE DIFFERS SOMEWHAT. HOWEVER, THE INFORMATION CAN HELP AS BACKGROUND IN ASSESSING YOUR SITUATION.

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HOA bill passes both the Legislature in Utah: now try to enforce it.

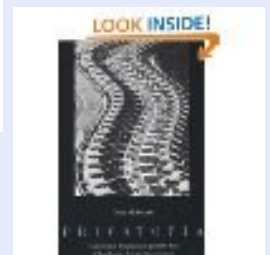
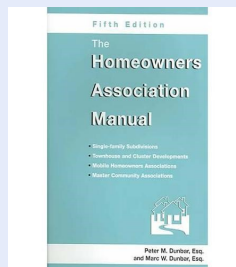


HOA bill passes both the Legislature in Utah

If a bill regarding homeowner associations continues down its current path after passing both the Utah House of Representatives and the Senate, most association meetings will soon be open to all homeowners. The bill would require that most board meetings be open to each unit or lot owner. But it would exclude committee meetings and it would allow boards to close part of a meeting for executive session to discuss private or confidential matters. The bill also states that, upon request, email notification of the meetings must be provided to owners. Sponsored by Rep. Mike Shultz, a Republican whose district includes parts of Davis and Weber counties, HB 99 is in the final stages of approval. If Utah Gov. Gary R. Herbert signs the bill, it will go into effect on July 1. So many HOA Bills yet such lack of enforcement from the home owner's perspective.

Well intentioned Bill, now try to enforce it from the home owner's perspective. Like most other states, the only viable means to enforcement is our costly, litigious, time consuming court system that matches the unlimited funds of the HOA and its' lawyer against regular folks limited resources. Good luck. Utah and other states need an out of court binding resolution process for HOA complaints and not more administrative laws.

Recommended by Members: we receive no monetary benefit from our book recommendations nor do we endorse the content. Click on pics





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Construction Defects Legislation, SB 15-177: what is the real impact

Summary on Construction Defects Issue

Senate Bill 15-177, Construction Defects, will mandate arbitration to resolve construction defects complaints. Although this requires home owners to give up the right to a court case it doesn't end the right to litigate: it changes the venue. This Bill is a modification to State HOA law and provides the spinoff benefit to home owners (as we recommend) of requiring their vote of approval prior to the HOA Board pursuing all litigation: this will empower home owners on the use of their HOA funds and end the practice of HOA litigation (and cost) without home owner knowledge or approval (until asked to pay the bills).

The real and immediate impact on HOAs (home owners) may be more inflammatory than substantive. Most HOA declaration documents already require arbitration and only a small handful of HOAs would be impacted. HOAs over the past 12-15 years (and common in older HOAs) require arbitration in governing documents and don't conceal this from home owners. This Bill precludes changing the arbitration clause. Of the 9,000 HOAs in Colorado, only a handful, at the encouragement of HOA lawyers, have changed this clause and few will ever pursue. Construction defects claims, in general, have a statute of limitations of six years from occupancy of the dwelling. Most HOAs are beyond this time frame and thus not impacted by the Bill. The contention that our court system and judges are far more honorable and trusting and impartial than a trained arbiter has no factual evidence or supported by any credible study.

Out of court binding dispute resolution (arbitration) has been used by the Dept of Regulatory Agencies (DORA) for decades and most recently will be used in dispute resolution for the recent HOA property manager licensing program. Arbitration is no more or less biased towards a home owner or developer than a court case. It can easily be argued that arbitration is more efficient, less costly, more timely, and accessible and affordable than our costly, litigious, and time consuming court system. Trained construction defects arbiters would appear to be more competent to render decisions vs court judges who may have never or rarely hear such cases. If the law mandates a mutually

agreed to arbiter among litigants then a lot of bias can be ruled out. Court cases and our court system in general might tend to favor a defendant (the developer) with deep financial pockets vs the somewhat limited funds of an HOA. HOAs attempting to match the financial resources of a developer in a long drawn out court cases can find themselves financially drained leaving bank accounts and reserve funds dry and home owners assigned special assessments of thousands of dollars to pay for legal costs.

Arbitration can cut down on the cost of litigation and the time to gain decisions. This can save significantly save HOAs in legal costs.

This Bill, like all legislation, is a compromise between meeting business concerns about frivolous and numerous law suits that affect their decisions on building affordable housing and providing consumer protections to ensure a process to pursue litigation and to also empower home owners on the use of their funds in litigation. It also must guarantee the right for an individual to pursue litigation using their own resources.

Note, next to none is the number of complaints received by the State HOA Office that complain about an inability to resolve a construction defects problem through a court case.

The construction defects issue is not going to go away. It was presented last year, this year, and if not resolved it will be back in 2016. Local communities have passed local ordinances to address this issue and some are outright unfair to home owners. This Bill can begin to resolve issues with affordable housing and most certainly since it is included in HOA law can result in better governance in HOAs. Like all Bills, after a trial period amendments can be made: happens all the time. The Bill can be designated for legislative extension after two years to ensure it is working correctly for all parties. Let's get a balanced Bill passed. As of the writing of this newsletter this Bill has not passed Senate vote. We approve of the Bill [with our recommendations](#).