

**Here is what reasonable, cost-effective HOA Reform would look like
(and is needed)**

Contributed by the Colorado HOA Forum

HOA Reform is needed to protect HOA homeowner's rights, to allow for the enforcement of State HOA Laws and HOA governing documents and to ensure that the contract between the homeowner and HOA signed when the home was purchased can be enforced from both the homeowner's and HOA's perspective. It also involves tangent issues such as HOA foreclosure reform and the licensing of property management companies that in reality manage not only the maintenance operations but highly influence financial decisions. HOAs can be a great place to live with their added amenities, greater increases in property values and eye appealing neighborhoods. However, when it comes to homeowners pursuing their rights or contesting HOA Board actions the playing field is not level but greatly favoring the HOA Board.

HOA Reform is only feasible through State legislative action. There are comprehensive and definitive State HOA laws but not one contains any feasible enforcement provisions from the home owner's perspective: the simplest issue must be disputed in our costly and litigious court system. This costs homeowners and HOAs tens of millions each year in attorney fees. There is NO state oversight over the nearly \$3 billion a year HOA and property management industry leaving homeowners vulnerable to abusive practices. Each year brings legislative Bills to correct solo issues but systematic reform is needed but elusive.

HOAs are the fastest growing real estate segment in the State. There are over 9,000 HOAs with about 800,00 homes comprising over 55% of

the population living under HOA governance. It is not acceptable that this large segment of our population has little enforceable protections under the law. Several State studies have recommended reform to improve homeowner's rights but ignored by the legislature.

[Here is what we at the Colorado HOA Forum](#), the State's largest, most recognized and longest running HOA homeowner advocacy organization, recommends for HOA Reform. All recommendations will not involve using taxpayer money, add costs to businesses or HOAs, negatively influence the participation of homeowners in HOA governance or inhibit an HOAs ability to manage the functions and assets of the community. State Studies support recommendations in these proposals and the simplicity, cost, effectiveness and ease of implementation make reform understandable and feasible. In particular, much of the reform centers around the existing State HOA Office and DORA (Dept of Regulatory Agencies) that already have the infrastructure, experience and knowledgeable staff to support implementations. The next step in pursuing HOA reform will be through legislation or through a State HOA Committee on Reform. The need for HOA Reform can be easily documented through the many stories of HOA abuse in the media, complaints worked on by HOA homeowner advocacy organization and by the 6,000 - 7,000 homeowner inquiries/complaints received by the HOA Office.

[This link will take you to the website of the Colorado HOA Forum that will list the issues that should be part of any reform effort.](#)

Suggestions to improve upon the Forum's recommendations are welcomed and [should be sent to Forum](#).